



REPORT

ON THE WORKING OF THE

CO-OPERATIVE SOCIETIES

IN THE

CENTRAL PROVINCES AND BERAR

FOR THE YEAR ENDING

30TH JUNE 1936

NAGPUR  
GOVERNMENT PRINTING, C. P.  
1937

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 GOVERNMENT OF THE CENTRAL PROVINCES  
 AGRICULTURE DEPARTMENT

*Nagpur, the 25th March 1937.*

READ—

Report on the working of the Co-operative Societies in  
 the Central Provinces and Berar for the year ending  
 the 30th June 1936.

RESOLUTION

The outturn of all crops was again below the normal and there was a further fall in the price of cotton. Thus with another unfavourable year added to the long series of indifferent harvests and with continuing low prices, substantial improvement could not be expected in the condition of the agriculturist and of the co-operative movement which must depend upon it. Cash recoveries declined to Rs. 12.82 lakhs [Rs. 15.43 lakhs]. The total loans outstanding against members in the Central Provinces rose to Rs. 68.95 lakhs [Rs. 68.32 lakhs], while in Berar they fell slightly to Rs. 107.83 lakhs [Rs. 107.97 lakhs]. The arrears in the whole province increased to Rs. 160.68 lakhs [Rs. 158.54 lakhs]. The arrears represented 85 per cent [79] of the total outstandings in the Central Provinces and 95 per cent [96] in Berar. Excluding the sum due from societies under award and liquidation, the percentage of overdue to the total outstandings was 65 [57] in the Central Provinces and 89 [84] in Berar. If the co-operative movement is to fulfil its proper role, it must tackle first the problem of overdue which have in fact become long-term loans. The success of the movement requires that the frozen assets of the central banks should be released, so that funds may in future be available for short-term cultivation finance, the main function of the movement. Government hopes that every effort will be made to this end.

2. During the year, 171 new societies [71] were registered and 85 [130] were cancelled. For the first time during the last six years the number of societies registered exceeded the number cancelled. Cash advances also slightly increased to Rs. 7.40 lakhs

[Rs. 7.23 lakhs]. This is a hopeful sign. As the Registrar observes "for the continued existence and health of the movement, expansion of business is essential". In view of restriction in credit facilities attributable to various causes, there is greater scope than ever for co-operative institutions to supply "controlled credit" to the agriculturists. In organizing new societies, however, care must be taken to avoid the rock on which the older societies split. In future, loans must be strictly limited to the amount required for cultivation of holdings and recovered from the proceeds of the next harvest.

3. The balance sheet of the movement as a whole, depicted in paragraph 9 of the report, shows that financially the movement is still sound. Its weakness lies in the complete dependence of the village society on the central bank. This is due mainly to the lack of understanding of the fundamental principles of co-operation on the part of members of primary societies. It is to be hoped that this defect will now be remedied by the extensive campaign of education made possible by the grant of the Government of India. Government looks to the Institutes to co-operate whole-heartedly in making the scheme a success, and hopes that all possible measures which would make the village society the pivot of the movement, will be pursued.

4. Government notes with pleasure that the credit of the Provincial Bank stands high in the money market and congratulates the Managing Committee on their sound and businesslike management. The most interesting event of the year was the grant by it of financial assistance to the Mandla, Amraoti and Malkapur banks. Assistance was justified only in the interests of the movement as a whole and not by the position of the banks. It was made only on condition that these banks were entrusted to competent hands by the appointment of managers of the provincial bank's own choice with wide powers. This experiment has already put the Mandla district bank on its feet again and its working in other areas will be watched with interest.

5. Two legislative measures of considerable importance to the agriculturists were put on the statute book during the year, viz., the Central Provinces Tenancy Amendment Act and the Central Provinces Land Mortgage Banks Act. They are calculated to facilitate the

working of land mortgage banks and to extend the advantages of long-term credit to the large number of tenants in the Central Provinces whose land is not transferable. Thus Government has provided machinery to enable the solvent agriculturists to free themselves from the crushing burden of indebtedness by providing easy long-term credit facilities. It is to be hoped that the agriculturists of the province will make the fullest use of them but at present applications for advances have not come up to expectations.

6. The movement has passed through a difficult time, but the end of the period of re-organization is in sight and Government looks forward with confidence to an era of expansion and progress. The thanks of Government are due to all devoted workers in the cause of co-operation, and to Mr. G. S. Bhalja and his officers for their successful administration of the department.

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ORDER.—Ordered that a copy of the resolution together with the enclosures is submitted to the Government of India in the Department of Education, Health and Lands, that copies be forwarded to the Registrar, Co-operative Societies, and to all Commissioners and Deputy Commissioners, Central Provinces and Berar, for information and guidance and that it be published in Part I of the *Central Provinces Gazette*.

By order of the Government  
(Ministry of Agriculture),  
C. J. W. LILLIE,  
*Revenue Secretary to Government,*  
*Central Provinces.*

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## REPORT ON THE WORKING OF CO-OPERATIVE SOCIETIES IN THE CENTRAL PROVINCES AND BERAR FOR THE YEAR ENDING THE 30TH JUNE 1936

[NOTE.—Figures under parenthesis relate to the figures of the previous year.]

### I.—ADMINISTRATION

Staff.—This report relates to the year ending the 30th June, 1936. Throughout the year I held charge as Registrar of Co-operative Societies, who also continued to be Director of Industries, Registrar of Joint Stock Companies, Registrar of Trade Unions, Registrar of Firms and Secretary, Village Uplift Board. Mr. K. B. L. Seth, I.C.S., continued to hold the post of Senior Deputy Registrar.

2. The four circles in which the province is divided for administrative purposes, were the same as before. Mr. S. B. Dave, Junior Deputy Registrar, was in charge of the Berar Circle while Messrs. V. A. Sant and G. C. Mukhtyar, Assistant Registrars, held charge of circles I and IV, respectively. Rao Sahib G. K. Hardas, Assistant Registrar, was in charge of circle III up to the 18th July 1935, after which date he was placed in charge of land mortgage banks. A temporary post of an additional Assistant Registrar was created during the year for a period of about one year to give training to the new Assistant Registrar and Mr. B. W. Phansalkar, Auditor, Co-operative Societies, was temporarily appointed to officiate as Assistant Registrar *vice* Rao Sahib G. K. Hardas. Mr. M. D. Singru was appointed temporary Assistant Registrar on probation for two years with effect from the 9th December 1935 and was placed in charge of circle III on the 10th June 1936. The post of Educational Inspector which was in abeyance, was revived during the year for a period of nine months with effect from the 6th August 1935, for holding training classes for the co-operative staff. The post has been permanently revived from the 1st April 1936, in order to give effect to the scheme of training of the co-operative staff and education of the members of co-operative societies, to be financed out of the Government of India grant for the purpose. He is assisted by three temporary Assistant Educational Inspectors, who have been selected from the permanent cadre of Circle Auditors which has temporarily increased

by three posts. The Educational Inspector and the three Assistant Educational Inspectors were sent to the Punjab for training for four months. The post of Village Panchayat Officer, who works under the general control of the Registrar, remained vacant from the 8th May 1935 till 16th September 1935, the date on which Rao Sahib V. R. Khisty took over charge. The post was again vacant for a period of one month from the 7th May 1936 to the 6th June 1936 when Rao Sahib Khisty was on leave.

3. **Touring.**—I was out on tour for 103 days in connection with my various duties. The Senior Deputy Registrar toured for 78 days, while Mr. S. B. Dave, Rao Sahib G. K. Hardas and Messrs. G. C. Mukhtyar, V. A. Sant, B. W. Phansalkar and M. D. Singru toured for 101, 112, 165, 183 and 143 days, respectively. The touring of all the officers was satisfactory.

4. **Cost of the movement.**—The cost to Government showed an increase of Rs. 24,515 from Rs. 1,99,857 to Rs. 2,24,372. The increase was mainly due to the entertainment of the temporary staff for land mortgage banks and the revival of the post of Educational Inspector.

The turnover of all co-operative institutions decreased by 10.4 per cent from Rs. 10,87,17,756 to Rs. 9,73,85,799; and as a consequence the percentage of the cost of administration to the turnover increased from .47 to .55.

The staff maintained by the co-operative institutions numbered 420 (419), while the cost was Rs. 5,33,267 (Rs. 5,12,645). The increase in the expenditure is due mainly to the grant of the annual increments.

## II.—SUMMARY OF GENERAL PROGRESS

5. **Character of the agricultural season.**—The following summary is based on the season and crop report of the Director of Land Records for the year ending the 31st May 1936.

The monsoon of 1935 broke in the third week of June 1935 and was fairly well distributed but for heavy showers in July and the first week of August and again in the first fortnight of September. Light to moderate rain accompanied by hail fell in several districts during the first three weeks of February 1936. The rainfall averaged 51.82 inches in the Central Provinces and 40.78 inches in Berar as compared with the 68 years' averages of 48.93 and 34.46 inches, respectively. The rainfall was in

excess by 1 to 33 per cent of the average in all districts except Mandla, Chhindwara, Drug and Raipur where it was deficient by 5 to 14 per cent.

The persistent and excessive rainfall of the early monsoon period proved unfavourable to kharif crops except rice, while the abrupt cessation of the monsoon after the last week of September and inadequate winter showers, combined with frost, hail and cloudy weather in December, January and February reduced the outturn of rabi crops. In the Central Provinces the total outturn of crops was estimated by the district officers at 77 per cent (88 per cent) of the average yield and in Berar at 61 per cent (67 per cent).

The provincial outturn of rice was 11.7 annas (14.3 annas); of juar 9.2 annas (10.1 annas); of cotton 8.2 annas (7.4 annas); of wheat 10.1 annas (11.5 annas); of gram 10.7 annas (11.5 annas); and of linseed 9.7 annas (12.2 annas).

The yield was poor in the districts of Nagpur and Berar Divisions, excepting Chanda and Betul, ranging from 55 per cent in Wardha to 65 per cent of the normal in Buldana. In Betul, Chanda, Drug and Raipur the production figures were between 70 and 77 per cent while in the remaining districts they varied from 78 to 92 per cent of the normal.

As regards prices during the year, "the wholesale prices of juar, wheat, gram and linseed at harvest time rose on an average by 6, 12, 5 and 6 per cent, respectively, as compared with the harvest prices of the previous year, while those of cotton and til fell by 23 and 16 per cent, respectively. The price of rice remained almost stationary. The average retail rate per rupee of rice was 12.2 seers (12.5 seers), of juar 16.4 seers (16.8 seers), of kodonkutki 20.2 seers (19.8 seers), of wheat 13.6 seers (15.4 seers), of gram 16.9 seers (17.0 seers), of til 6.5 seers (6.1 seers) and of linseed 8.6 seers (9.6 seers)".

"There was no recovery in any area". The outturn of rice fell appreciably during the year, while the outturn of almost all other crops continued to be below the average. The slight increase in the outturn of cotton was offset by the fall in prices. "Owing to the partial failure of cotton and juar and low prices the lot of the cultivator in the cotton country in particular continued to be hard."

6. Recoveries.—Recoveries of the loans due by societies to central banks amounted to Rs. 12,82,040

(Rs. 15,42,955). Recoveries of principal amounted to Rs. 6,83,130 and Rs. 1,23,545 (Rs. 7,53,518 and Rs. 2,18,000) while the total of both principal and interest recovered was Rs. 9,56,260 and Rs. 3,25,780 (Rs. 10,63,142 and Rs. 4,79,813) in the Central Provinces and Berar, respectively. The total cash recoveries decreased, during the year by 10 per cent in the Central Provinces and by 32.1 per cent in Berar. The total demand which the central banks had to recover during the year was Rs. 1,52,59,342. The actual recoveries, therefore, amounted to 8.5 per cent of the demand (10.6). To the figure of recovery in Berar may be added 7,738 acres of land purchased by the Berar banks for Rs. 4,99,459 during the course of coercive proceedings.

Recoveries were poorer during 1935-36 than during 1934-35 in all the circles except the IV circle, where there was a small increase. As before, the three central banks in the old Chhattisgarh Division had the best record. In Bilaspur and Durg the cash recoveries exceeded the demand and in Raipur they were about 94 per cent of the demand. Recoveries in Balaghat and Wardha continue to be the lowest in this circle. In the fourth circle as a whole the cash recoveries slightly improved to 9.1 per cent (8.5 per cent) of the demand. The increase was mainly contributed by the Harda, Narsinghpur and Khandwa banks. Recoveries were again lowest in Betul. In the first circle, the cash recoveries further fell to 7.9 per cent (10.1 per cent) of the demand. The decrease was shared by all the banks in the circle, except Murwara, where the cessation, or rather abatement of dissensions among the honorary workers led to slight improvement in the recoveries, which however were still below the figure of 1933-34. It was most marked in Jubulpore, where the authorities of the bank were most apathetic to the suggestions of the departmental officers. The recoveries were the poorest in the second (Berar) circle, amounting to only 3.5 per cent (4.9 per cent) of the demand. They were not sufficient even to cover the interest charges. Leaving out of account the small banks of Darwha and Pusad, the cash recoveries in this circle were comparatively better in Mehkar and Morsi banks, and lowest in Malkapur.

The causes of low recoveries have been pointed out in successive departmental reports, and it is not necessary to repeat them again. A new factor that vividly

came to notice during the year was the working of a large number of Debt Conciliation Boards, the establishment of which was every where the signal for withholding of payments by the debtors. In many places the resources of the members are exhausted and their indebtedness has become very heavy so that only a succession of favourable years can enable them to liquidate their liabilities. Increasing demoralisation amongst members and internal dissensions amongst honorary workers also contributed to the meagreness of recoveries.

The officers of the department, in the course of their tours, have done their best to impress upon the authorities and the staff of the banks how the very existence of the latter depends upon the ability to meet the demands of the depositors; and as a result of their persistent remarks and comments, oral and written, those responsible for the management of the banks, both honorary workers and paid staff, have realized the gravity of the situation and the necessity of recovering their frozen assets as early as possible. A strong opinion is now created against defaulters generally and big borrowers in particular, and the authorities of the banks with a few exceptions, are ready to adopt coercive measures against them. With this readiness, recoveries should improve, provided the agriculturists reap normal harvests and the prices of agricultural produce do not go down still further.

7. Cash advances.—The position regarding fresh financing underwent little change during the year. Cash advances amounted to Rs. 7,39,962 (Rs. 7,23,109). In the Central Provinces, they declined slightly to Rs. 6,34,788 (Rs. 6,44,732) while in Berar they increased to Rs. 1,05,174 (Rs. 78,377). The increase in Berar was contributed largely by the Morsi and Daryapur banks. The bulk of fresh financing in the Central Provinces—Rs. 4,73,164 out of Rs. 6,34,788—was done by the Raipur, Bilaspur, Drug, Nagpur and Narsinghpur banks. Elsewhere the new business continued to be meagre.

In many places financing of members is only nominal, e.g., in Jubbulpore and Sihora. The increase in cash advances, wherever it has occurred, is due, to a considerable extent, to the financing of new societies.

In addition to the cautious attitude which the central banks have had to adopt in the matter of financing in view of the heavy overdues outstanding against members, a new factor has come into operation. The establishment

of Debt Conciliation Boards has made the central banks chary of financing members, whose debts have been conciliated, as under the Debt Conciliation Act the recovery of such loans is postponed until after the payment of the conciliated amounts. For the continued existence and health of the movement, however, expansion of business is essential, and this point of view has been steadily pressed by the department on the attention of the central banks.

8. **Outstanding loans.**—The total loans outstanding against members of societies in the Central Provinces increased slightly from Rs. 68,31,709 to Rs. 68,94,801 while in Berar they went down from Rs. 1,07,96,663 to Rs. 1,07,82,945. The outstanding cannot go down appreciably until the economic conditions improve and the members are able to pay something towards the principal. The proportion of overdues to the total dues increased from 79 per cent to 84 per cent in the Central Provinces but decreased in Berar from 96 per cent to 95 per cent. Renewals granted in the Central Provinces and Berar increased from Rs. 36,920 and Rs. 1,596 to Rs. 54,465 and Rs. 6,757 respectively. Taking the renewals and the overdues together the arrears increased from Rs. 1,58,54,676 to Rs. 1,60,88,402. The percentage of such arrears to the total outstanding was 85 and 95 (79 and 96) in the Central Provinces and Berar respectively. Excluding the sum due from societies under award and liquidation the overdues amounted to 65 and 89 (57 and 84) per cent in the Central Provinces and Berar respectively.

The overdues have reached the above high figures, as members have been able to pay little more than interest for several years, and the practice of granting renewals has been practically stopped. It would be necessary to spread them over a number of years, but this process would require long-term capital, the ways and means of raising which are now engaging the attention of the department.

Overdues continue to be the lowest in Chhattisgarh where they amount only to 6 per cent of the outstandings. In Bilaspur only a sum of Rs. 2,076 is overdue out of the total loan of Rs. 1,99,561. The extent of overdues is an index of the success or failure of a co-operative credit society. In a truly co-operative society overdues should be unknown.

9. Financial balance sheet of the co-operative movement as a whole.—The financial position of the central banks of the province and the provincial bank taken together on the 30th June 1936 is indicated in the rough balance sheet given below :—

Serial No.	Liabilities	Amount	Serial No.	Assets	Amount
		Rs.			Rs.
1	Deposits—				
	(a) Fixed deposits.	1,40,88,760	1	Cash in hand and in banks outside the movement.	4,03,876
	(b) Savings deposits.	32,64,593	2	Surplus in Government securities.	12,63,237
	(c) Current deposits.	5,95,695	3	Fluid resource in Government securities.	23,18,477
2	Debentures ..	1,00,000	4	Reserve fund in Government securities.	30,44,634
3	Provident fund of employees.	3,48,134	5	Demand loans on security of deposits and Government paper.	42,458
4	Loans due to banks outside the movement.	58,771	6	Deposits in approved banks outside the movement.	38,31,568
	Total Liabilities to outside creditors.	1,84,55,953		A—Total liquid assets	1,09,04,250
5	Paid up share capital	21,62,878	7	Building and stock	6,74,248
			8	Landed property ..	23,54,691
				B—Total fixed Assets	30,28,939
				Total liquid and fixed assets (A and B).	1,39,33,189
			9	Good debts outstanding against societies.	89,46,743
	Grand total of Liabilities.	2,06,18,831		Grand total of Assets.	2,28,79,932

The outside liabilities amount to Rs. 1,84,55,953 against which the movement holds assets estimated at Rs. 2,28,79,932. Of the total assets, Rs. 1,09,04,250 or 47.7 per cent (46.7) are in cash and liquid form and Rs. 30,28,939 or 17.6 per cent (12) in other fixed assets. For the liquidation of outside liabilities, thus, only an amount of Rs. 45,22,764 or 50.6 per cent (59) of good debts outstanding against societies would suffice, while the proportion of outside liabilities the repayments of which would depend on recoveries of good debts is 24.5 per cent (29). Of the good debts (Rs. 89,46,743), Rs. 62,68,954 are secured by first mortgages on lands of members. In Berar, the banks hold first mortgages on 65,581 acres of land: The Berar banks also own 39,641

acres of land acquired for the total value of Rs. 23,23,862 an average of Rs. 59 per acre. These figures justify the conclusion that despite a succession of adverse years the intrinsic financial position of the movement taken as a whole continues to be sound. It is hardly necessary to add that the same cannot be said to be necessarily true of all individual institutions.

**10. Societies and membership.**—Sixteen proposals for registration of societies were pending at the commencement of the year and 253 proposals were received during the year. Out of the total of 269, 170 (71) were accepted, 56 rejected, 26 returned for further enquiry and 17 were pending at the close of the year. 125 societies were registered in the Central Provinces and 45 in Berar. Out of the 125 societies registered in the Central Provinces, Nimar and Chhattisgarh were responsible for 20 and 56 societies respectively. In Berar 15 and 10 societies were registered under the Darwha and Khamgaon banks and the remaining 20 under 5 others. Out of the 170 societies registered 156 were primary agricultural credit societies, 1 non-agricultural credit society, 5 agricultural associations, 2 seed unions, 3 clerks' societies, 1 industrial association, 1 housing society and 1 thrift society.

In Berar a drive was organized to establish new societies taking advantage of the situation created by the operation of the Debt Conciliation Act. In the third circle there was expansion of movement under all central banks except Wardha which alone of all the Central Banks has not yet adopted the group system.

The registration of 85 societies (130) was cancelled. Of these 83 were primary agricultural credit societies, 1 seed union and 1 store. The number of co-operative societies of all types thus increased from 3,735 to 3,820, of which 3,585 were primary agricultural credit societies. The total membership, however, further declined to 1,10,456 (1,12,075). The working capital however increased to Rs. 5,40,60,589 (Rs. 5,37,41,046). The primary agricultural societies on share basis increased to 1,905 (1,784) of which 626 were old societies which adopted the byelaws of share societies and 1,279 were new ones.

The Berar, the Northern and the Nerbudda Institutes appointed special officers to organize new societies, with varying degrees of success. As a consequence, for



the first time during the last six years, more societies were registered than cancelled. This is a hopeful sign. It is obvious that any movement which does not advance must stagnate in the long run. The success achieved in the organization of new societies during the year shows that if the principles of co-operation are properly explained, the fear of joint liability is not such an unsurmountable difficulty in the way of further expansion as is sometimes alleged. Several non-official co-operators, however, feel that still better results would be achieved if the new societies were allowed to be organized on limited liability basis. It is contended that unlimited liability deters some of the solvent agriculturists from joining co-operative societies. This question of organization of primary societies on limited liability basis is under consideration.

Every care is being taken to avoid the mistakes of the past while forming new societies. The financial position and previous history of every applicant are carefully scrutinized and only those persons who are solvent and not heavily indebted and whose antecedents show that they are honest and reliable are admitted as members. Loans are sanctioned for only cultivation expenses and it is insisted that they should be recovered rigorously from the proceeds of the next harvest. Special attention is to be paid to the education and supervision of these new societies which, it is hoped, will develop into truly co-operative societies.

11. Education and supervision of societies.—The group system, as the new system for education and supervision of societies as designated, continued in all the circles. Two central banks, viz., Wardha and Balaghat had not yet joined their regional institutes. The Balaghat Bank has applied for affiliation to the Chhattisgarh Institute and it is hoped that it will shortly be admitted as its member. The Wardha Bank has not yet made up its mind, but in its case also, there are grounds to believe that the advantages of membership of an institute are being realized and it is hoped that it too will soon join the Nagpur Institute.

The Narsingpur Central Bank which had seceded from the Northern Institute has joined the Nerbudda Institute. I am glad to note that the Hoshangabad Central Bank has withdrawn its notice of secession from the Nerbudda Institute.

The Institutes have been handicapped in their work by paucity of funds and disinclination on the part of their constituent central banks to carry out the orders of the Central Boards, especially in taking disciplinary action against the field staff. This tendency is to be deplored, as the very object of establishing Central Boards is frustrated if their orders are not loyally carried out by the banks concerned.

The Government of India has made a grant of Rs. 49,450 to the Central Provinces and Berar for the training of the co-operative staff—both official and non-official—and the education of the members of co-operative societies in the principles of co-operation. The Local Government has permanently revived the post of Educational Inspector which was held in abeyance for sometime on account of financial stringency. An elaborate scheme of training and education has been drawn up, covering a period of 5½ years. Regular training classes will be held for Circle Auditors, Society Auditors, Group Officers and Assistant Group Officers, Managers and Accountants of Central Banks, and Members of Co-operative Societies. It is expected that at the end of the period, the whole staff will have been adequately trained and about 3,000 members of societies will have imbibed the principles of co-operation. It is to be hoped that this extensive campaign of education will help towards the resuscitation of the co-operative movement in the province.

**12. Training and propaganda.**—Two hundred and forty-nine rallies were held during the year (251), 232 in the Central Provinces and 17 in Berar. They were attended by 12,463 members of 2,009 societies and by 14,167 outsiders. The largest number of rallies was held in Chhattisgarh. Raipur again leads with 39 rallies while Bilaspur stands second with 34. Agricultural and Veterinary Assistants attended 61 and 34 rallies respectively.

In accordance with the scheme of training referred to in the foregoing paragraph, training classes were organized for members of societies at 22 centres during the year. They were attended by 502 members of societies of whom 308 were declared successful at the examinations held at 15 centres. Training classes were also organized at Nagour during the rains for Circle Auditors and Land Mortgage Bank Managers, and Group Officers and Assistant Group Officers.

13. **General position.**—The co-operative movement had to face yet another year of indifferent harvests and low prices of agricultural produce. As a consequence there could be “no recovery in any area” of the province. The cumulative effect of a series of years of low crop outturns, slump in prices and the spread of demoralization amongst the members of societies has resulted in heavy overdues, while fresh financing of societies is practically at a standstill and the indebtedness of members continues unabated except in the third circle. The main problem before the majority of the central banks continues to be the recovery of the arrears. It is now clear that the process of liquifying the frozen assets of the banks must take a long time. The outstanding arrears must once for all be spread over a number of years. In order to do this, however, the movement must have long term capital to enable it to meet the outside liabilities punctually. This problem is now engaging the attention of the department.

In spite of the critical period through which it has been passing, the financial position of the movement as a whole continues to be sound, as would appear from paragraph 9. Consistently with maintaining the financial stability, all possible measures have been adopted to grant relief to the indebted agriculturists. The temporary schemes of relief described in the reports of the last two years were continued. In Berar the Bad Debt Enquiry was completed and the scheme of writing off the irrecoverable loans from reserve funds of societies was put into operation. Thirty-one Debt Conciliation Boards were in operation at the close of the year. The Co-operative Department has endeavoured to co-operate with them and to facilitate their work in every possible way.

Several central banks had difficulties in meeting the demands of their depositors. The association of the Provincial Bank with the management of the Mandla, Amraoti and Malkapur banks continued. The experiment has been successful at Mandla and it will be possible to restore the normal state of affairs at the end of the next year. Given the co-operation and loyal support on the part of the local workers, it should be equally successful at Amraoti and Malkapur. As, however, pointed out in the last year's report, the arrangement cannot be extended to many banks. The resources of the Provincial Bank are not inexhaustible that it can assume responsibilities to an indefinite extent. While

assisting the central banks in their difficulties, the apex bank must take every care to see that it has sufficient liquid resources to meet its own liabilities punctually. The situation demands constant vigilance on the part of all concerned.

The central banks had to acquire more land in the course of coercive operations against societies and members. At the close of the year the area of land held by the banks was 1,523 acres (1,406 acres) in the Central Provinces and 39,641 acres (32,707 acres) in Berar. The difficulties of managing these large areas of lands continued to be unabated. The desirability of disposing of them as quickly as possible was continually pressed on the authorities of the banks.

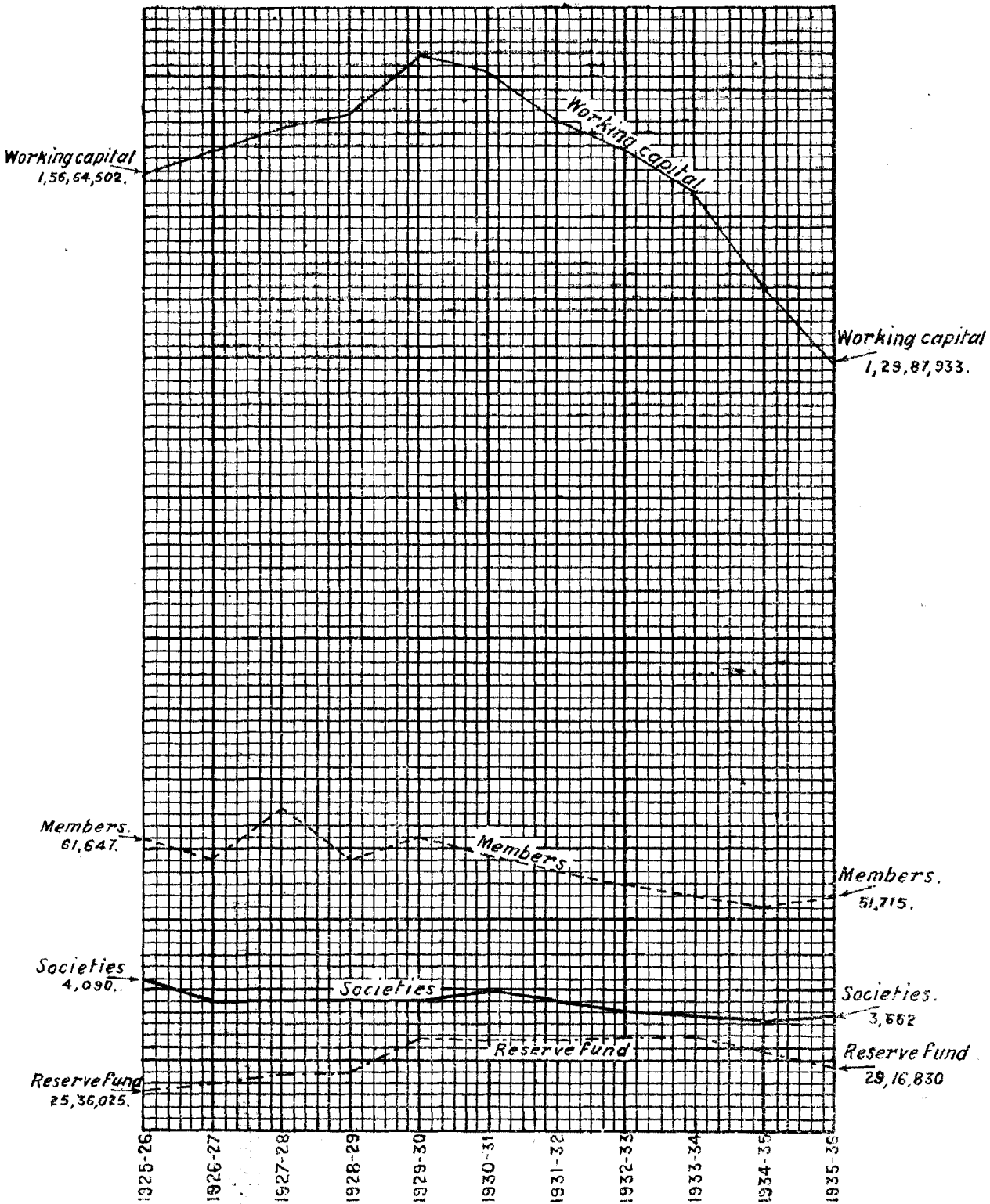
The department continued to follow the dual policy of consolidation and reconstruction and cautious advance. The task it has set itself before it is to nurture the existing societies as far as possible and to form new societies on sound lines. As a result, for the first time during the last six years, the number of newly registered societies has exceeded the number of those wound up. The experience of last year shows that the bugbear of joint liability is not so formidable an obstacle to formation of new societies as it is often made out to be. If propaganda is carried out on right lines and the principles of co-operation are properly explained to the people, societies can still be organized under the existing rules and byelaws. Indeed with the contraction of other credit facilities for the agriculturists due to legislative measures of relief, the co-operative movement has a vast field for expansion.

Ten land mortgage banks were in operation at the close of the year and more will be established in due course. The ideal arrangement would be to link them up with the central banks so that facilities for short and long term finance could be made available for the agriculturists within the co-operative fold. It was with this aim in view that the Land Mortgage Banks' Conference recommended the establishment of land mortgage banks in every district.

It must be borne in mind that mere provision of credit facilities will lead nowhere unless they mark the beginning of better farming and better living. The success of the movement is not to be judged from the grandeur of the co-operative edifice, however imposing



PROGRESS OF AGRICULTURAL SOCIETIES  
IN C.P. AND BERAR 1925-26 TO 1935-36.



Scale — { 1 Inch = 2,000 Societies  
 1 " = 20,000 Members  
 1 " = 20, Lakhs Reserve Fund  
 1 " = 20, " Working Capital

it may appear, but from the extent to which the members of primary societies have really and truly assimilated the principles of co-operation, and lead a fuller and richer life than before.

The village society in this province, as in other parts of India, has been organized on the Raiffeisen system which presupposes the spirit of thrift. It was expected that the members of such societies would raise capital from small savings which they would lend out among themselves. This Raiffeisen essential has been, however, largely absent and the deposits have come from persons higher in wealth and social status than the borrowers. It has been well said that "the unlimited group of thriftless persons is something which is worth nothing. Indeed it is worth less than nothing because it prevents persons of moderate substance from joining. Therefore the village bank should be selective and exclusive and confined to those who are thrifty enough and honest enough to be credit worthy." It is this aspect of thrift, rather than of credit, which must be impressed and emphasised on the mind of the members of the primary society.

### III.—THE WORKING OF AGRICULTURAL CREDIT SOCIETIES WITH UNLIMITED LIABILITY

14. Number of societies.—The total number of primary credit societies with unlimited liability increased by 73 to 3,585, of which 3,052 were in the Central Provinces and 533 in Berar. The increase was shared by all the banks of the third circle excepting Wardha, by Seoni and Damoh in the first circle, by Nimar and Harda in the fourth circle, and by Ellichpur, Darwaha, Buldana and Khamgaon in Berar Circle. The number remained the same as at the end of the last year in the 3 banks at Sihora, Pusad and Mehkar, while in the remaining 16 banks the number decreased. 156 new societies (50) were registered, of which 111 were in the Central Provinces and 45 in Berar. 52 societies were registered in Chhattisgarh which continued to give a lead to the rest of the province in this direction. Nimar came next with 20 societies. In Berar, Darwaha and Khamgaon led with 15 and 10 societies, respectively. 83 societies (127) were cancelled, 51 in the Central Provinces and 32 in Berar. 12 societies were cancelled in Murwara, 8 in Sohagpur,

6 in Betul and 25 in the area of 12 other banks in the Central Provinces. Of the 32 societies cancelled in Berar, 8 were in Daryapur, 6 in Yeotmal and 18 in the areas of seven other banks.

**15. Working capital and membership.**—The working capital of societies in the province excluding those under liquidation decreased from Rs. 1,34,95,111 to Rs. 1,24,59,872; in the Central Provinces it fell from Rs. 60,11,585 to Rs. 58,95,076 and in Berar from Rs. 74,83,526 to Rs. 65,64,796. The loans due by members also fell from Rs. 1,07,71,761 to Rs. 1,00,98,019 (from Rs. 47,43,944 to Rs. 46,73,716 in the Central Provinces and from Rs. 60,27,817 to Rs. 54,24,303 in Berar). The fall is mostly due to the liquidation of 42 societies with outstandings of Rs. 1,83,492 in the Central Provinces and 34 societies with outstandings of Rs. 6,25,853 in Berar.

The total cash recoveries of central bank loans due from societies (including those under liquidation) fell from Rs. 7,53,518 to Rs. 6,83,130 and from Rs. 2,18,000 to Rs. 1,23,545 in the Central Provinces and Berar, respectively. Similarly cash recoveries from members of working societies decreased from Rs. 9,55,294 to Rs. 8,41,577 and from Rs. 3,88,248 to Rs. 2,66,300 in the Central Provinces and Berar, respectively.

The membership of societies other than those under liquidation further declined in the Central Provinces from 42,070 to 41,842 and in Berar from 6,272 to 6,036 or from 48,342 to 47,878 for the province as a whole. The average number of members per society also fell from 14 to 13, the average being 13.7 in the Central Provinces and 13.1 in Berar.

**16. Loans and purposes of loans.**—The average loan per member, excluding members of societies under liquidation, decreased from Rs. 223 to Rs. 211 in the province as a whole, the average in the Central Provinces being Rs. 111.5 (Rs. 113) and in Berar Rs. 900 (Rs. 961). The total of loans advanced by societies to members fell from Rs. 17,28,977 to Rs. 16,73,307, but cash advances increased from Rs. 6,17,466 to Rs. 6,72,433, being Rs. 5,76,859 (Rs. 5,59,294) in the Central Provinces and Rs. 95,574 (Rs. 58,172) in Berar, respectively. Cash loans were thus 40.2 per cent of the total advances, the percentages in the Central Provinces and Berar being 54.1



and 15.7 (52.0 and 9.0), respectively. The purposes for which the loans were advanced are shown below:—

	Central Provinces Rs.	Berar Rs.	Total Rs.
(1) For purchase of seed ..	17,548	2,033	19,581
(2) For cultivation expenses ..	67,537	45,918	1,13,455
(3) For purchase of bullocks and plough cattle.	3,17,401	1,465	3,18,866
(4) For agricultural implements ..	390	..	390
(5) For purchase of land ..	10,917	1,957	12,874
(6) For improvement of land ..	30,452	50	30,502
(7) For house building and repairs ..	10,453	230	10,683
(8) For payment of rent and revenue ..	34,904	4,321	39,225
(9) For repayment of old debts ..	5,724	23,720	29,444
(10) For marriage and other ceremonies	9,402	725	10,127
(11) For other purposes.	72,131	15,155	87,286
Total ..	5,76,859	95,574	6,72,433

In the Central Provinces the largest amount was advanced for the purchase of cattle, of which, 75 per cent was absorbed in Chhattisgarh and about 17 per cent was shared by Bhandara and Brahmapuri, the remaining 8 per cent being utilized by other banks. Due chiefly to the constant pressure exerted by the department, advances for unproductive purposes are reduced to the minimum. Cases of diversion of loans to purposes other than those approved, are not yet unknown. Efforts should be made to detect such cases and appropriate action taken to stop the objectionable practice.

**17. Big borrowers.**—Big borrowers or members owing more than Rs. 1,000 each were 361 or .86 (.85) per cent of the total number of members in the Central Provinces and absorbed Rs. 7,15,478 out of Rs. 46,43,716 or 15.4 (15.8) per cent of the total loans; while in Berar they were 1,263 or formed 20.9 (22) per cent of the total number of members, and were responsible for loans, amounting to Rs. 42,72,050 out of Rs. 54,24,303 or 78.5 (78) per cent of the total outstanding against members. There were 204 (222) members owing more than Rs. 5,000 each, responsible for a sum of Rs. 20,54,684. Amraoti, Akola, Morsi and Yeotmal have 75, 37, 35 and 28 such members, respectively. The accumulation of disproportionately heavy outstandings against individual members is most marked in Berar. There is no big borrower at all in any of the Chhattisgarh banks.

The constant criticism of the departmental officers has at last succeeded in bringing home to the central banks and the societies the urgent necessity of recovering the large outstandings against the big borrowers and

with few exceptions there is now greater readiness to take coercive action against them. I earnestly hope that the few banks like Wardha, where the large borrowers still wield considerable influence, will realize the need of liquifying their frozen assets and will not hesitate to pursue recovery proceedings against them with vigour.

The effect of the rule framed by Government limiting the individual loans in the Central Provinces and Berar to Rs. 250 and Rs. 500, respectively, has been most salutary. With the gradual realization of the present heavy overdues, it is to be hoped that the credit business of primary agricultural societies will have been placed on a permanently sound basis.

**18. Repayments and overdues.**—The proportion of overdues in the loans of societies (excluding those under liquidation) against members has gone up both in the Central Provinces and Berar. Without allowing for renewals it was 77.4 (70) per cent in the Central Provinces and 89.7 (87.8) per cent in Berar, while including renewals the percentage would be 78.5 (70.5) and 90 (87.8) in the Central Provinces and Berar, respectively. Out of 3,585 societies, 677 in the Central Provinces and 190 in Berar failed to pay even the interest during the year (517 and 113, respectively). The number of societies which took no loans from central banks was 1,582 (1,745) in the Central Provinces and 220 (257) in Berar.

**19. Classification of societies.**—The result of the audit classification for 1935-36 is compared below with that for 1934-35 :—

	1934-35			1935-36		
	Central Provinces	Berar	Total	Central Provinces	Berar	Total
A. Very good ..	..	2	2	..	2	2
B. Good ..	85	42	127	94	36	130
C. Fair ..	1,954	247	2,201	1,965	214	2,179
D. Bad and un-co-operative.	796	179	975	792	174	966
E. Financially dangerous.	133	43	176	141	54	195
Total ..	<u>2,968</u>	<u>513</u>	<u>3,481</u>	<u>2,992</u>	<u>480</u>	<u>3,472</u>

In the Central Provinces the number of B and C class societies showed some increase, while the D class societies showed some decrease. As against this, however, the number of E class societies has increased. The position in the Central Provinces can be said to have slightly improved. In Berar, however, there was further deterioration.

20. **Reorganization.**—Most of the central banks drew up programmes of reorganization at the beginning of the year, and in all 670 societies were selected for this purpose in the Central Provinces and Berar. 96 societies were finally reorganized (89 in the Central Provinces and 7 in Berar), 57 proposals for reorganization were rejected and 517 societies were kept for further trial. Although there is slight improvement as compared with the figures of the preceding year, the central banks did not devote adequate time and energy to the work of reorganization as their field staff continued to be pre-occupied with recovery work.

I am afraid reorganization work is not receiving sufficient attention in many central banks. Especially this is the case in the Wardha Central Bank, where nothing has been even attempted in this direction. The need of a proper programme for reorganization has been frequently pointed out. It is essential for the health and the well-being of the movement.

21. **Rates of interest.**—The rates of interest charged by banks and societies varied between 8 and 11 per cent. Three banks in the Central Provinces and six banks in Berar charged differential rates of interest, lower rates being charged on loans the instalments of which were punctually repaid and penal rates in case of wilful default.

The policy of allowing the interest on reserve funds to be used for reducing the rates of interest was continued. As a consequence the rates of interest charged by societies to their members ranged between 4 and 11½ per cent per annum. The number of societies, the members of which benefitted in this manner was 1,311 (1,033) in the Central Provinces and 142 (210) in Berar.

In order to stimulate recovery, the central banks are advised to introduce the system of rebate in the rate of interest to those members who pay their instalments by the due date. Amraoti and Malkapur banks have introduced a system of graded rebate, the result of which will be watched with interest.

22. **Deposits in societies.**—Deposits in societies from members and non-members further decreased from Rs. 4,53,508 to Rs. 3,83,597 in the province as a whole. In the Central Provinces the deposits of members decreased from Rs. 82,950 to Rs. 78,126 and those of non-members from Rs. 16,619 to Rs. 16,037. In Berar

also there was a decrease in members' deposits from Rs. 74,148 to Rs. 42,627 and in non-members' deposits from Rs. 2,79,791 to Rs. 2,46,807. The decrease is due to the abolition of the system of compulsory deposits and the grant of facility to members to pay off loans from their deposits.

#### IV.—LAND MORTGAGE BANKS

23. The number of land mortgage banks remained the same as in last year, *i.e.*, 10. Since the close of the year, it has been decided to organize two more banks at Bilaspur and Wardha in the Central Provinces. The following figures will show the working of the banks during the year :—

(1) Number of members	...	765
(2) Number of applications	...	1,000
(3) Total amount of loans applied for	Rs. 10,81,428	
(4) Number of applications rejected	...	279
(5) Number of applications sanctioned	...	129
(6) Number of applications pending	...	592
		Rs.
(7) Loans advanced	...	1,06,982
(8) Recoveries	...	4,113
(9) Loans outstanding on 30th June 1936		1,38,995
(10) Cost of management	...	5,925
(11) Share capital	...	24,321
(12) Deposits (temporary) held at the end of the year from individuals.		17,345
(13) Provincial Bank loan	...	1,32,101
(14) Working capital	...	1,74,543

The actual volume of work done varies in each place but on the whole it is not considerable. There are various reasons for the slow progress made so far. The eight new banks did not really function for the whole year although they were registered in the months of May and June 1935. Much time had necessarily to be spent in holding general meetings, informing the Boards of Directors, obtaining the necessary share capital and various other preliminaries. The banks may be said to have begun their working by January 1936. Remembering this fact and the fact that the institutions were new and that all concerned were unfamiliar with them, the progress has not been discouraging. The Narsinghpur and Raipur banks have made a promising beginning. Next come Basim and Nagpur. I am glad to say that the Mehkar bank which was the first land mortgage bank to be registered in the province has shown considerable

activity during the year. As ill-luck would have it, the Amraoti bank, which was registered soon after the Mehkar bank did little business. That was due largely to the fact that the bank was unfortunate in having a clerk who turned out to be dishonest. He is now safely in gaol, having been convicted for embezzlement. Seoni and Bhandara banks also were expected to make a promising start, but somehow or other they have not been able to get the right type of borrowers.

The Provincial Bank which at present performs the functions of the Central Land Mortgage Bank made a small profit on land mortgage business. All the primary banks, however, with the exception of Mehkar, worked at a loss, varying from Rs. 787 (Sihora) to Rs. 252 (Seoni). The main reason for this is that the volume of business was not adequate. Most of the banks have, however, received a large number of applications towards the close of the year and it is hoped that there will be considerable expansion in their business during the current year and that the losses will be wiped out.

In the month of June 1936 the Central Provinces and Berar Provincial Co-operative Bank floated the first series of debentures of the value of rupees one lakh at the rate of 3½ per cent for financing the primary land mortgage banks. The flotation was a great success, the applicants receiving only about half of the amount applied for, in spite of the fact that the debentures were not widely advertised. Since the close of the year the Central Provinces Land Mortgage Banks Bill referred to in the last year's report has been passed into law and is now on the Statute Book. This will help to set the machinery for long term finance working in an efficient and business-like manner.

A Conference of the persons connected with the land mortgage banks in the province was convened at Nagpur under the auspices of the Provincial Bank after the close of the year, the resolutions adopted by which will be dealt with in the next report.

The reasons for the small volume of business done have been indicated above. It may be added that the solvent indebted agriculturist seems to prefer the money-lender to the land mortgage bank. The ordinary money-lender is now prepared to give almost the same facilities which the land mortgage bank gives. He does not

demand the same strictness which the bank must enforce, dealing as it does with money guaranteed by Government. It is, however, a matter for congratulation that as a result of the establishment of land mortgage banks, the money-lenders have come to adopt the methods of the co-operative institutions.

#### V.—CENTRAL BANKS

24. Number of central banks.—The number of central banks continued to be 35.

25. Capital and resources, loan outstanding, and bad and doubtful debts.—With the gradual winding up of a number of societies and contraction in new business, the total working capital of central banks decreased to Rs. 2,45,12,375 (Rs. 2,45,61,824). The share capital declined to Rs. 16,26,818 (Rs. 16,80,048); it fell from Rs. 10,42,067 to Rs. 10,23,942 in the Central Provinces and Rs. 6,37,981 to Rs. 6,02,876 in Berar. The reduction in the share capital is due mostly to the redemption of shares held by members of societies brought under liquidation and to a certain extent to the adoption by some of the older societies of the byelaws of share societies. Reserve and other funds, however, further increased to Rs. 50,71,194 (Rs. 49,58,021), out of which a sum of Rs. 31,03,464 was ear-marked as provision for bad and doubtful debts. The total loans outstanding against affiliated societies decreased to Rs. 1,45,50,175 (Rs. 1,48,60,257). It decreased to Rs. 55,33,532 (Rs. 55,40,519) in the Central Provinces and to Rs. 90,16,643 (Rs. 93,19,738) in Berar. Bad debts amounted to Rs. 11,79,079 and Rs. 31,25,925 and doubtful debts to Rs. 4,69,395 and Rs. 10,425 in the Central Provinces and Berar, respectively. Bad debts rose in the Central Provinces and Berar by Rs. 1,01,956 and Rs. 3,29,310, while doubtful debts decreased by Rs. 39,901 and Rs. 16,491, respectively. The percentage of bad debts to the total loan outstanding works out in the Central Provinces at 21.3 and in Berar at 34.67 per cent while that of doubtful debts to 8.5 and .12, respectively. In Chhattisgarh there are practically no bad debts.

26. Deposits and fluid resource.—Deposits from individuals fell to Rs. 1,21,74,441 (Rs. 1,22,65,486) for the whole province. In the Central Provinces they increased to Rs. 50,56,828 (Rs. 49,52,131) while in Berar they

further fell to Rs. 71,17,613 (Rs. 73,13,355). Withdrawals in cash totalled Rs. 16,70,643 in the Central Provinces and Rs. 35,87,471 in Berar. Fresh deposits received in cash amounted to Rs. 18,53,677 in the Central Provinces and Rs. 34,09,198 in Berar. Deposits were returned to a large extent from fresh deposits and to a small extent from loans from the Provincial Bank. Speaking generally, the Berar banks had to lean more on the Provincial Bank than the Central Provinces banks. The situation as regards withdrawals of deposits is not yet free from anxiety and needs careful watching, particularly in Berar.

The fluid resource of 22 central banks exceeded the percentage prescribed for the fixed and savings bank deposits, while that of 13 central banks fell short of the prescribed standard. At the end of the year the amount repayable during the next twelve months was Rs. 51,99,737. Out of this a sum of Rs. 4,21,819 was in deposit with the Provincial Bank which maintains adequate cover for it. The cover required for the balance of Rs. 47,77,918 was Rs. 16,43,509. As against this the total of the fluid resource of all the central banks amounted to Rs. 22,68,489, out of which a sum of Rs. 10,55,690 was invested in Government securities or held in cash or as cash credits granted by the Provincial Bank and joint stock banks. Although the position of the province as a whole is satisfactory that of individual banks causes anxiety. The necessity of building up adequate cover by the deficit banks for meeting their obligations cannot be too strongly emphasized.

**27. Cost: profits.**—The cost of management decreased from Rs. 1,11,002 to Rs. 1,07,255 in the Central Provinces while it rose from Rs. 62,782 to Rs. 78,935 in Berar. For the province as a whole the cost increased from Rs. 1,73,784 to Rs. 1,86,190. The net profits during the year decreased from Rs. 1,64,882 to Rs. 90,898, while the unrealized interest increased from Rs. 22,11,122 to Rs. 26,18,439. Twenty three central banks (23) were not able to distribute any dividend. Eleven banks in the Central Provinces paid dividends at rates varying from  $1\frac{1}{2}$  to  $6\frac{1}{2}$  per cent while one bank in Berar, *viz.*, Darwah paid dividend at  $3\frac{3}{4}$  per cent.

**28. Working of Central Banks.**—The problems confronting the central banks during the year were practically the same as before. In the first circle, the condition of

the Jubbulpore bank worsened during the year and gave cause for anxiety. The directors of this bank have not yet taken the measures that are necessary to arrest further deterioration. The warring parties at Murwara have called a truce and the working of the bank has improved. The Mandla District Bank, which continued under the new management, has a further record of progress to its credit. It has fully paid up the Provincial Bank loan, revived 3 dormant societies and released the share capital which was appropriated as provision for bad and doubtful debts. The fixed and savings deposits with it increased considerably, indicating the restoration of the confidence of the depositing public. The Seoni bank continued to maintain its good record. In the third circle, the Raipur, Bilaspur and Drug District Banks continued to be the best managed banks in the province. Co-operation has taken deep root in the old Chhattisgarh Division and there is spontaneous demand for the formation of new societies. The condition of the Wardha and Warora banks is fast deteriorating and demands the immediate attention of their directors. The progress made by the Balaghat bank under the new management, though not striking, is appreciable and there are reasonable grounds for the hope that if it is continued for sufficient time, the co-operative movement will revive in Balaghat district. In the fourth circle, the Nimar Central Bank continues to do good work. Its directors would do well to write off the unrecoverable debts which are piling up and unnecessarily clouding the financial position which is sound. It is gratifying to note that under its new Chairman, Rai Bahadur Sitacharan Dube, the Hoshangabad Central Bank is settling down to solid work. The fluid resource position of the Piparia bank improved by the efforts of its President, Rai Bahadur Seth Motilal, but the bank is not yet out of the wood. In Berar the Amraoti and Malkapur banks continued to be under special management described in the last year's report. It is too early to judge of the success of the new management which was faced with peculiar difficulties. The directors of the Morsi bank made vigorous efforts for effecting recoveries and achieved some success. It is unfortunate that the smooth working of several good banks is seriously impaired by the rivalry of the competing groups. The main problems before the Berar banks are to effect recoveries from big borrowers and to liquify their frozen assets by selling the land in their possession.



## VI.—PROVINCIAL BANK

29. Working of the year.—Rao Bahadur M. G. Deshpande, C.B.E., continued to guide the destinies of the Provincial Bank as President and Managing Director, with his usual devotion and efficiency. The working capital of the bank increased to Rs. 1,44,15,386 (Rs. 1,31,54,973). The net profit slightly decreased to Rs. 50,972 (Rs. 51,061). The amount due from central banks and societies totalled Rs. 32,99,801 (Rs. 31,18,411), of which Rs. 7,79,616 (Rs. 11,37,338) were due from the Central Provinces and Rs. 25,20,185 (Rs. 19,81,073) from the Berar banks and societies. Against this amount the bank holds mortgages and assignments of 25,276 acres 36 gunthas of land (20,283), Government paper of the face value of Rs. 2,44,000 (Rs. 3,29,500) and fixed deposit receipts aggregating to Rs. 15,000. Further, a sum of Rs. 29,355 due from the Amraoti Central Bank on account of cash credit is covered by reserve funds of its societies in liquidation or about to be liquidated in the near future. The bank continued to exercise caution in granting loans to central banks having heavy overdues. In the cases of some banks loans were advanced for repayment of deposits on the security of the mortgages of immoveable property owned by the banks themselves and the assignment of mortgages of lands belonging to members of societies made in favour of central banks by the latter.

The Provincial Bank reduced its rates of interest on deposits from time to time in accordance with the rates offered by the established commercial banks. They varied from 2 to 3½ per cent on fixed deposits for 12 months and over, while the rate on savings bank accounts was 2 per cent. There was an appreciable increase in the deposits of all kinds. The deposits from central banks and individuals increased to Rs. 11,75,225 and Rs. 36,31,680, respectively (Rs. 10,82,056 and Rs. 33,06,265). The savings bank and current deposits increased to Rs. 22,25,504 (Rs. 21,80,759). The Registrar's deposits also increased to Rs. 54,31,180 (Rs. 52,39,152). Cash recoveries, during the year decreased to Rs. 13,38,848 (Rs. 16,88,431). Cash advances increased to Rs. 15,32,316 (Rs. 10,38,725). Overdues from central banks and societies also increased to Rs. 14,85,564 (Rs. 13,57,900).

30. Surplus funds, share capital and reserve fund, etc.—The bank continued to have large surpluses ranging

between Rs. 19,00,000 and Rs. 27,00,000 during the year, which were invested partly in Government securities and partly in commercial and co-operative banks outside the province.

The share capital and reserve fund of the bank amount to Rs. 5,36,060 and Rs. 2,45,000 (Rs. 5,46,290 and Rs. 2,30,000), respectively. In view of the increasing overdues and the uncertainty about their early realization, the provision for bad and doubtful debts has been substantially increased to Rs. 5,00,000 (Rs. 2,00,000), which represents about one-third of the overdues. Other funds amount to Rs. 3,52,283 (Rs. 2,16,260). Out of these Rs. 1,55,000 have been appropriated recently so as to raise the reserve fund to Rs. 4 lakhs. Against these the outside liabilities of the bank total Rs. 1,28,42,653 (Rs. 1,21,14,865). Thus the bank's owned capital works out at 12 (9.84) per cent of the borrowed capital. Besides, the market value of the bank's investments in Government paper is far greater than what is indicated in its balance sheet. This hidden reserve is also available for any bad debts that may arise, over and above the provision of Rs. 5 lakhs mentioned above. The bank declared a dividend of  $4\frac{1}{2}$  per cent as last year. The financial position of the bank thus continued to be strong.

A notable event during the year was the opening of the Directors' Hall, which was construed at a cost of approximately Rs. 27,000, by His Excellency the Governor on the 14th March 1936.

#### VII.—(i) THE CENTRAL PROVINCES AND BERAR CO-OPERATIVE FEDERATION, AND (ii) THE CO-OPERATIVE INSTITUTES, NORTHERN, NERBUDDA, CHHATTISGARH, NAGPUR AND BERAR DIVISIONS

**31. The Federation.**—The Annual Federation Congress met at Nagpur in March 1936 and discussed several important questions, such as, adoption of measures to make the primary society the pivot of the movement, amendment of the standard byelaws of central banks so as to remove the preponderance of the indebted members of societies, desirability of organizing primary societies on a limited liability basis and capitalization of interest. One of the resolutions passed by the Congress was that the minimum rate of interest charged to members of societies to which the reserve fund scheme has been applied

should be reduced from 6 per cent to 4 per cent. The resolution has been accepted, and the scheme is being continued for another year.

32. **The Institutes.**—The province continues to be divided into 5 institutes and all the banks except Balaghat and Wardha have been affiliated to them. The application of the Balaghat Bank for affiliation to the Chhattisgarh Institute is under the consideration of the latter, while attempts are being made to induce the Wardha Bank to join the Nagpur Institute. Experience shows that individual banks cannot make adequate arrangements for supervision and education of primary societies, the need for which was never greater than at present. It is hoped that during the ensuing year the Wardha Bank will fall into a line with other sister institutions.

During the year the Narsinghpur Central Bank which had severed its connection last year with the Northern Co-operative Institute got itself affiliated to the Nerbudda Division Co-operative Institute. The management of the Amraoti Central Bank passed into the hands of a special "Committee of Management" and consequently it was exempted by the Local Government from the operation of the rules framed under section 43 (1) of the Co-operative Societies Act, for the better education and closer supervision of societies. The report of the sub-committee appointed by the Nerbudda Division Co-operative Conference held at Betul under the auspices of the Nerbudda Division Co-operative Institute in June 1933, was considered and adopted by the General Council of the Institute. Government continued to make grants to the institutes totalling Rs. 24,000 as in the previous year.

#### VIII.—AGRICULTURAL SOCIETIES FOR PURPOSES OTHER THAN CREDIT

33. The number of such societies rose by 6 to 67. They consist of 2 landholders' associations, 42 agricultural associations, 14 seed unions and 9 adats shops. Five agricultural associations and two seed unions were registered during the year under report while one seed union was cancelled.

The main activity of the two landholders' associations at Mehkar and Narsinghpur continues to be the advancing of loans to their members. Their working

capital and reserve and other funds amounted to Rs. 1,69,676 (Rs. 1,97,995) and Rs. 15,987 (Rs. 12,363) respectively, and they made a profit of Rs. 3,837 (Rs. 3,912). The working capital and the reserve and other funds of the agricultural associations rose to Rs. 1,51,551 and Rs. 56,224 (Rs. 1,28,341 and Rs. 52,379 respectively), while their profits decreased from Rs. 13,880 to Rs. 7,283. Their membership rose from 1,724 to 1,842.

#### IX.—NON-AGRICULTURAL CREDIT SOCIETIES WITH UNLIMITED LIABILITY

34. One society of this class was registered during the year (The Hindi Teachers' Co-operative Society, Unlimited) and the total number now stands at 30 with membership of 443 (29 and 445) respectively. The working capital and outstanding loans increased to Rs. 48,550 and Rs. 37,050 (Rs. 45,937 and Rs. 34,160 respectively).

#### X.—NON-AGRICULTURAL CREDIT SOCIETIES WITH LIMITED LIABILITY

35. Three new societies were registered during the year, viz., the Central Provinces and Berar Government Teachers' Society, Nagpur, the Harda Municipal Teachers' Society and the Bilaspur Harijan Municipal Employees' Society. The number thus increased to 43 (40). The membership also increased to 18,821 (17,922) while the working capital and loan outstanding decreased to Rs. 14,21,372 and to Rs. 12,28,139 (Rs. 14,66,075 and Rs. 12,37,228 respectively). The profits also fell from Rs. 79,494 to Rs. 75,933.

The audit of the accounts for 1934-35 of the Mandla Clerks' Society revealed embezzlement of over Rs. 1,200 spread over several years. As a result of the police investigation the Honorary Secretary and the clerk of the society were prosecuted and each sentenced to one year's rigorous imprisonment and fined Rs. 110 and Rs. 200, respectively.

#### XI.—NON-AGRICULTURAL SOCIETIES FOR PURPOSES OTHER THAN CREDIT

36. The total number of such societies at the close of the year was 43 (41), 11 of which were for purchase and sale (stores), 1 dairy, 5 production and sale societies (industrial associations), 9 housing societies, 8 thrift

societies, 3 adult education societies, 4 compulsory education societies, 1 better living society and 1 village development society.

The membership and the working capital of the stores decreased from 1,085 to 892 and from Rs. 82,896 to Rs. 78,075 respectively. The sales of goods also declined from Rs. 1,14,347 to Rs. 98,263. In consequence profits fell from Rs. 4,927 to Rs. 3,940. It is unfortunate that the Basim Weavers' Association which had so far worked well and acquired a name for itself, with membership of 137, working capital of Rs. 35,970 and reserve fund of Rs. 24,051 has fallen a victim to internal dissensions, which are considerably hampering its smooth working. It worked at a loss of Rs. 966 during the year, due largely to the fall in the demand and the prices of the cloth manufactured by the members.

The Telinkheri dairy society at Nagpur, which is managed by the Agricultural Department, is flourishing.

The five production and sale societies (industrial associations) include the Central Provinces and Berar Weavers' Co-operative Society, Nagpur, which has been established with the aid of the Government of India grant for the development of the handloom industry. It had 288 members and working capital (including Government loan of Rs. 14,115) of Rs. 14,424. It worked at a profit of Rs. 1,101 during the year. Its working, however, was not quite satisfactory. Considerable difficulty is being experienced in marketing its output. The purchaser who was appointed when the society was established has severed his connection with it and it has not been found possible to find another man who would undertake to purchase the whole output of the society. Cases of embezzlement by its members and supervisors have been brought to light after the close of the year and one case is proceeding in court.

The Nagpur Leather Works Co-operative Society with membership and working capital of 9 and Rs. 229 worked at a loss of Rs. 107. The remaining two societies are dormant. The number of housing societies increased by 1 to 9. Their membership, working capital and loans outstanding rose to 380, Rs. 5,48,866 and Rs. 4,98,147, respectively (311, Rs. 4,96,260 and Rs. 4,56,886, respectively). The Akola society did not take adequate measures to recover its dues and consequently the arrears are accumulating.

The number of thrift societies rose from 7 to 8. The membership increased from 284 to 334 while the working capital decreased from Rs. 20,313 to Rs. 16,870.

The adult education society at Yeotmal started its work during the year while the other two societies in Jubulpore district, four compulsory education societies and one better living society in Sohagpur tahsil and the village development society of Akola were all practically dormant.

## XII.—RESERVE FUND

37. The reserve funds of societies of all kinds increased to Rs. 64,92,050 (Rs. 61,92,940). That of the Provincial Bank amounted to Rs. 2,45,000, of the central banks Rs. 13,23,721, of the primary and other agricultural societies to Rs. 47,19,489 and of other kinds of non-agricultural societies to Rs. 2,03,840. The figures include the reserve funds of societies under liquidation which amounted to Rs. 18,02,659. Reserve funds constituted 5.4 (5.2) per cent of the working capital of central banks and 23 (22.4) per cent of that of primary societies.

38. Out of the total reserve funds of the movement amounting to Rs. 64,92,050, a sum of Rs. 36,07,258 is invested in government securities and post office cash certificates. The balance of Rs. 28,84,792 is mixed up in the working capital of banks and societies as detailed below :—

	Rs.
In Provincial Bank shares ...	5,02,340
In Central Bank shares ...	45,400
In the working capital of share societies and societies under reserve fund scheme ...	6,70,565
Uninvested ...	16,66,487
Total ...	28,84,792

## XIII.—DISPUTES AND LITIGATION

39. Awards.—The number of final awards issued during the year increased from 1,102 to 1,298. Similarly draft awards issued also increased from 1,651 to 1,809. At the close of the year the total number of awards outstanding in the Central Provinces increased to 4,295 (3,977) the amount involved being Rs. 29,55,399 (Rs. 22,89,596).

Out of these 485 involving Rs. 14,11,139 were against societies and 3,810 involving Rs. 15,44,260 against members. In Berar the total number of awards outstanding was 1,464 (1,618) involving Rs. 29,19,147 (Rs. 32,41,019); out of which 95 involving Rs. 13,59,348 were against societies and 1,369 involving Rs. 15,59,799 against members. Thus in the province as a whole, the awards against societies at the close of the year were 580 (558) for a total sum of Rs. 27,70,487 (Rs. 28,55,566); and against members 5,179 (5,037) for a total sum of Rs. 31,04,059 (Rs. 26,75,049). The total number of awards increased from 5,595 to 5,759 and the total amount involved also correspondingly increased from Rs. 55,30,615 to Rs. 58,74,546.

Certificates for recovery as arrears of land revenue of sums under awards were issued in 66 cases against societies and in 283 cases against members. Orders of attachment before award were issued in three cases against members of societies, under section 42 (a) of the Co-operative Societies Act.

40. **Liquidation.**—At the beginning of the year the total number of societies under liquidation was 1,214 of which 824 were in the Central Provinces and 390 in Berar. The amount due from them was Rs. 50,63,065, of which Rs. 14,08,429 were due from societies in the Central Provinces and Rs. 36,54,636 from those in Berar. During the year under report, 42 (60) societies involving a sum of Rs. 1,83,492 (Rs. 1,77,173) were placed under liquidation in the Central Provinces and 34 (64) societies involving an amount of Rs. 6,25,853 (Rs. 12,05,319) in Berar. The liquidation proceedings of 24 (65) societies in the Central Provinces and 19 (2) societies in Berar were closed during the year. At the end of the year the total number of societies increased to 1,247 and the amount outstanding against them to Rs. 55,47,793, of which 842 societies involving an amount of Rs. 15,15,586 were in the Central Provinces and 405 societies with a loan of Rs. 40,32,207 were in Berar. A fairly large number of the existing societies in Berar will ultimately have to be put under liquidation, but this step is being postponed on account of the difficulty of finding purchasers for the lands of the defaulting members.

41. In the Central Provinces, the central banks with a large number of societies under liquidation are Sihora with 90, Balaghat with 78, Saugor with 62, Hoshangabad with 59, Nagpur with 55, Piparia with 52, Mandla with 48,

Chhindwara with 46, Damoh with 45, Seoni with 44, Narsinghpur with 42, Nimar with 41, Betul with 34, and Jubbulpore with 33. Out of about Rs. 15.15 lakhs (Rs. 14.08 lakhs) of loans outstanding against the societies under liquidation in the Central Provinces about Rs. 4.88 lakhs (Rs. 5.02 lakhs) are considered good, about Rs. 2.77 lakhs (Rs. 2.64 lakhs) doubtful and Rs. 7.5 lakhs (Rs. 6.43 lakhs) bad. A sum of Rs. 18,589 (Rs. 39,644) was written off during the year by four banks. In Berar, the central banks with a large number of societies, under liquidation are Khamgaon with 92, Akola with 81, Amraoti with 44, Mehkar with 38, Yeotmal with 37, Malkapur with 32, Ellichpur with 28, and Buldana with 20. Out of Rs. 40.32 lakhs (Rs. 36.55 lakhs) of loans involved in liquidation in Berar about Rs. 17.94 lakhs (Rs. 18.25 lakhs) are considered good, Rs. 22 lakhs (Rs. 18 lakhs) considered bad, and about Rs. 38,000 (Rs. 30,000) considered doubtful. A sum of Rs. 1,30,454 (Rs. 8,388) was written off during the year by four banks.

Recoveries made from societies under liquidation totalled Rs. 6,42,215 (Rs. 6,53,267), of which Rs. 96,143 (Rs. 1,10,996) were recovered in the Central Provinces and Rs. 5,46,072 (Rs. 5,42,271) in Berar. The Berar banks also acquired 7,738 acres of land valued at Rs. 4,99,459 in the course of liquidation proceedings during the year.

42. Sixty-nine certificates were issued for recovery of dues as arrears of land revenue under section 225 (c) of the Central Provinces Land Revenue Act, and section 164 (d) of the Land Revenue Code, during the year under report.

43. Loans due from societies and members under award and societies under liquidation.—The total loan due from societies and members under award and from societies under liquidation was Rs. 1,14,22,339 (Rs. 1,05,93,680) or 78.5 (71) per cent of the total loan outstanding against societies. These figures indicate the extent of coercive recovery. The percentage of central bank loans under coercive recovery increased in the Central Provinces from 66 to 84 and in Berar from 74 to 77.

#### XIV.—AUDIT AND INSPECTION

44. Audit.—All the societies due for audit were audited except eight and the newly registered and non-working societies which were not due for audit. Of the



eight societies left out, one has been since audited, one is under audit and the audit of the remaining six will be taken up early during the year.

The actual expenditure on the audit of primary societies during 1935-36 amounted to Rs. 30,637 (Rs. 29,638) in the Central Provinces, the amount collected by way of audit contributions being Rs. 32,485 (Rs. 28,310). In Berar the audit work was done entirely by Government auditors. This does not mean that the societies in the Central Provinces are at a disadvantage. The societies in Berar pay contributions to the institute while those in the Central Provinces do not. The audit of societies not affiliated to the central banks was done by auditors appointed by the societies concerned and approved by the Registrar.

45. *Writing of accounts.*—At the beginning of the year there were 2,003 members trained in writing accounts and 21 in audit. During the year 422 members in the Central Provinces and 92 in Berar were trained in accounts (265 and 42 respectively). The number of societies in which accounts were written by members, however, decreased from 334 to 152 in the Central Provinces while it increased from 154 to 188 in Berar. In Berar Rs. 2,537 were paid as remuneration to the members who wrote accounts. In order to encourage members to do the writing work of their societies this system of paying cash remuneration may well be adopted by the Central Provinces Institutes. I reiterate my remarks in the last year's report about the importance of members undertaking the responsibility for this work.

46. *Inspection.*—I inspected 15 central banks and 8 land mortgage banks and attended most of the meetings of the Provincial Bank, the Federation and the Institutes. The Senior Deputy Registrar inspected 16 central banks and 6 land mortgage banks. Rao Saheb Hardas, Assistant Registrar, Land Mortgage Banks, inspected all the land mortgage banks and attended many of the meetings of the boards of directors of these banks. The Junior Deputy Registrar and the Assistant Registrars together inspected 35 central banks, 220 primary societies and attended various meetings of the Institutes and the central banks. The Assistant Registrar, Circle III, made an inspection of the Central Provinces and Berar Provincial Co-operative Bank, Limited. The Chief Auditors super-audited 16 central banks and made test audit of 47 societies. The Revenue Officers inspected only 6 societies.

## XV.—ATTITUDE OF THE PUBLIC AND GENERAL REMARKS

47. During the year, some important rules were framed under the Co-operative Societies Act. The exploitation of co-operative institutions for political purposes was on the increase and brought one or two banks near the verge of ruin. In order to prevent collapse, it was felt necessary to confer on Registrar the power to supersede the managing committee of a society in certain circumstances and to make arrangements for carrying on its business. The necessity of the power was urged by the Provincial Bank and that it was taken none too soon is proved by subsequent events. Its existence was responsible for the voluntary transfer of control by the directors of one bank to a special committee of management. Since the close of the year one central bank has found it to be extremely useful and has requested the Registrar to supersede the panchayats of some societies which were obdurately recalcitrant. In order to prevent the concentration of large loans with individual members of primary societies, rule 15 has been amended restricting the individual loan to Rs. 250 in the Central Provinces and Rs. 500 in Berar. As a result of the operation of this rule there should be no "big borrowers" in the future. With the passing of this rule the financing of primary agricultural societies has been put on a sound footing. The Registrar was also given the power to cancel the certificates granted to employees of co-operative societies by the Central Boards for reasons to be recorded in writing. This power was necessary in order to improve the morale and efficiency of the co-operative staff.

Government was pleased to exempt the Provincial Bank and central banks from the operation of section 29 (1) of the Co-operative Societies Act so as to enable them to make advances to their depositors on the security of their deposit receipts, with the previous approval of the Registrar. Several central banks in the province have also been allowed to carry on inland exchange business. These measures should increase the popularity of co-operative institutions.

On account of the large scale coercive operations, the attitude of the public towards the co-operative movement is critical, if not hostile. The co-operative movement was initiated, and continues with the help of the honorary workers whose ranks are being depleted. It has passed through many vicissitudes and is still struggling along. The period of trial is not yet over. The

fact that it is holding its own in the face of continued economic depression is a sign of its inherent strength. It affords ample opportunities for sterling but silent service in the cause of the peasantry. In the words of His Excellency the Governor, "whatever dangers may be inherent in the movement and into whatever paths of error it may wander, there can be no possible doubt that it offers the only real chance of salvation and prosperity to an agricultural community". I earnestly hope that young men of public spirit will be coming forward in increasing numbers to take the place of those who retire on account of age or infirmity or leave the movement for other reasons.

The relations of the officers of the department with the non-official workers continued to be cordial. The thanks of the Government and the province are due to that band of non-official workers who carry on the torch of co-operation in most discouraging circumstances, often in the face of unmerited and uninformed criticism. The officers of the department of all grades worked hard and loyally. Mr. K. B. L. Seth, I.C.S., Senior Deputy Registrar, was of considerable assistance to me during the year. During recent years the duties of the officers of the Co-operative Department have been most onerous. I would like to put on record my appreciation of the tact and devotion with which they carried them out.

G. S. BHALJA,

*Registrar,*

*Co-operative Societies,*

NAGPUR :  
The 15th January 1937.

*Central Provinces and Berar.*

APPENDIX

Operations of Central

Name of Central Bank	Number of members		Number of affiliated societies holding shares in central banks				Individuals
	Individuals	Societies	Central credit	Agricultural credit	Non-agricultural credit	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
							Rs.
I							
(a) Provincial Bank	78	2,130	35	2,077	14	4	1,84,457
II							
(b) Central Banks							
District	Central Bank						
Nagpur	Nagpur	1,169	134	132	2		1,235
Chanda	Brahmapuri	1,961	147	147			462
	Warora	547	84	83			3,357
Wardha	Wardha	502	67	64	1	2	2,357
Betul	Betul	1,834	156	153	3		2,248
Chhindwara	Chhindwara	1,024	108	95	13		2,131
	Seoni	954	105	102	2	1	3,236
Jubbulpore	Jubbulpore	1,271	141	139		2	459
	Sehora	2,453	175	173	1	1	2,256
Saugor	Murwara	1,439	94	93		1	20
	Saugor	886	48	48			868
Mandla	Damoh	752	51	49	2		2,301
	Mandla	645	75	74		1	15,095
Hoshangabad	Hoshangabad	1,405	80	78	2		2,013
	Harda	724	67	64	2	1	4,665
	Sohagpur	1,491	146	144		2	1,049
Nimar	Narsinghpur	2,149	201	198	2	1	58,915
	Nimar	1,741	109	108	1		30
Raipur	Raipur	643	366	364	1	1	688
Bilaspur	Bilaspur	196	352	351		1	562
Drug	Drug	866	186	185		1	417
Bhandara	Bhandara	1,155	128	127		1	1,906
Balaghat	Balaghat	897	72	71	1		979
Total for Central Provinces		26,704	3,092	3,042	33	17	1,07,249
Amraoti	Amraoti	1,973	112	108	3	1	29,526
	Ellichpur	392	43	43			8,830
	Morsi	756	45	45			3,844
	Daryapur	489	34	34			7,028
Yeotmal	Yeotmal	1,166	86	85		1	12,226
	Pusad	73	11	11			57
Akola	Darwah	24	18	18			89
	Akola	1,730	47	47			82,551
Buldana	Buldana	423	38	38			9,054
	Khamgaon	1,486	55	52	2	1	5,734
	Mehkar	1,291	60	57	3		5,265
	Malkapur	722	62	61	1		10,078
Total for Berar		10,525	611	599	9	3	1,74,282
Total for Central Provinces and Berar.		37,229	3,703	3,641	42	20	2,81,531

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## Banks in 1935-36

Loans made during the year to					Receipts from loans repaid during the year by	
Provincial Bank and others	Societies				Individuals	Provincial Bank and others
	Cash	Paper renewal	Book adjustment	Total		
(9)	(10-a)	(10-b)	(10-c)	(10)	(11)	(12)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
61,95,122	20,33,221	..	18,623	20,51,844	2,02,188	24,80,500
1,24,139	64,980	..	22,829	87,809	1,928	1,32,548
51,636	41,603	4,656	12,172	58,431	934	43,630
80,274	9,236	4,948	8,267	22,451	3,404	80,539
3,62,855	8,511	473	25,762	34,746	2,943	3,84,723
90,842	135	..	26,609	26,744	5,082	65,157
48,106	4,919	..	16,337	21,256	2,230	46,525
94,012	15,738	11,994	13,258	40,990	5,166	83,856
1,78,649	779	1,29,786	41,978	1,72,543	642	1,70,651
..	2,431	..	41,652	44,083	2,401	..
867	786	..	22,122	22,908	89	777
1,00,176	2,722	..	8,945	11,667	818	93,337
56,683	3,467	..	10,056	13,523	922	71,373
36,741	2,874	..	16,071	18,945	15,497	35,592
16,578	2,838	..	23,228	26,066	2,311	15,847
39,549	4,478	..	8,949	13,427	4,645	31,337
8,640	343	..	27,826	28,169	1,465	7,161
1,84,116	67,578	..	40,624	1,08,202	57,692	1,90,817
1,69,847	22,575	..	19,416	41,991	1,091	1,71,519
1,70,409	93,223	..	11,809	1,05,032	2,138	1,41,429
4,79,867	1,54,939	..	30,299	1,85,238	620	4,82,093
67,308	92,444	..	10,927	1,03,371	412	64,648
1,12,724	33,115	..	8,478	41,593	872	1,09,987
91,860	5,074	..	5,779	10,853	2,724	85,747
25,66,178	6,34,788	1,51,857	4,53,393	12,40,038	1,16,026	25,09,293
2,03,991	7,250	..	1,44,765	1,52,015	82,383	2,04,027
51,209	15,680	..	28,099	43,779	12,817	51,472
1,03,169	29,915	..	89,563	1,19,478	9,705	1,07,364
46,980	10,211	..	29,983	40,194	8,433	46,997
53,046	7,835	..	1,05,565	1,13,400	10,835	53,665
2,446	540	..	3,043	3,583	134	1,463
244	8,439	..	1,440	9,879	212	444
14,10,586	5,004	..	1,25,829	1,30,833	79,409	14,11,022
67,912	5,960	..	27,199	35,159	6,596	68,874
37,598	7,071	..	80,025	87,096	4,881	37,522
45,559	5,521	..	52,960	58,481	4,456	45,390
..	1,748	..	67,645	69,393	14,445	..
20,22,740	1,05,174	..	7,56,116	8,61,290	2,34,306	20,28,240
45,88,918	7,39,962	1,51,857	12,09,509	21,01,328	3,50,332	45,37,533

APPENDIX

Operations of Central

Name of Central Bank	Receipts from loans repaid during the year by Societies				Loans	
	Cash	Paper renewal	Book adjustment	Total		Individuals
	(1)	(13b)	(13c)	(13)		(14)
	Rs.	Rs.	Rs.	Rs.		Rs.
I						
(a) Provincial Bank ..	13,91,088	..	16,218	14,07,306	42,458	
II						
(b) Central Banks						
District	Central Bank					
Nagpur ..	Nagpur ..	75,412	..	4,364	79,776	17
Chanda ..	{ Brahmपुरi ..	55,089	4,656	2,536	62,281	517
	{ Warora ..	16,371	4,948	1,583	22,902	424
Wardha ..	Wardha ..	27,787	473	865	29,125	624
Betul ..	Betul ..	6,342	..	18,201	24,543	734
Chhindwara ..	{ Chhindwara ..	16,082	..	425	16,507	4,771
	{ Seoni ..	35,830	11,994	2,590	50,414	1,987
Jubbulpore ..	{ Jubbulpore ..	22,036	1,29,786	751	1,52,573	144
	{ Sehora ..	56,125	..	4,801	60,926	327
	{ Murwara ..	20,848	..	8,332	29,180	..
Saugor ..	Saugor ..	13,602	..	3,458	17,060	655
	{ Damoh ..	11,932	..	2,497	14,429	4,272
Mandla ..	Mandla ..	14,617	..	334	14,951	81
Hoshangabad ..	{ Hoshangabad ..	14,190	..	1,208	15,398	152
	{ Harda ..	17,468	..	1,730	19,198	739
	{ Sohagpur ..	8,464	..	18,843	27,307	..
	{ Narsinghpur ..	1,11,503	..	15,616	1,27,119	2,789
Nimar ..	Nimar ..	27,977	..	1,007	28,984	..
Raipur ..	Raipur ..	1,16,009	..	2,042	1,18,051	116
Bilaspur ..	Bilaspur ..	1,55,404	..	16,254	1,71,658	..
Drug ..	Drug ..	81,859	..	11,413	93,272	22
Bhandara ..	Bhandara ..	36,308	..	3,885	40,193	1,976
Balaghat ..	Balaghat ..	15,005	..	16,173	31,178	1,581
Total for Central Provinces ..		9,56,260	1,51,857	1,38,908	12,47,025	21,928
Amraoti ..	{ Amraoti ..	48,393	..	2,09,861	2,58,254	13,781
	{ Ellichpur ..	16,055	..	5,500	21,555	1,991
	{ Morsi ..	63,069	..	37,489	1,00,558	1,630
	{ Daryapur ..	10,296	..	68,235	78,531	1,173
Yeotmal ..	{ Yeotmal ..	43,939	..	1,54,687	1,98,626	2,457
	{ Pusad ..	3,756	..	124	3,880	3
	{ Darwah ..	4,275	..	19	4,294	17
Akola ..	Akola ..	49,204	..	1,63,007	2,12,211	61,058
Buldana ..	{ Buldana ..	14,925	..	95,316	1,10,241	3,092
	{ Khamgaon ..	24,230	..	32,511	56,741	27,946
	{ Mehkar ..	38,573	..	40,244	78,817	880
	{ Malkapur ..	9,065	..	31,612	40,677	2,870
Total for Berar ..		3,25,780	..	8,38,605	11,64,385	1,16,898
Total for Central Provinces and Berar ..		12,82,040	1,51,857	9,77,513	24,11,410	1,38,826

A

## Banks in 1935-36—contd.

Due by	Loans and deposits received during the year from			Cost of management	Share capital paid up
	Provincial or Central Banks	Primary Societies	Individuals and other sources		
(15)	(16)	(17)	(18)	(19)	(20)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
81,87,361	74,70,636	3,77,179	80,82,294	47,306	5,36,060
3,58,749	47,619	6,960	1,75,251	8,656	51,675
1,49,791	..	9,889	29,005	5,044	39,910
1,13,269	1,431	6,140	79,977	2,004	23,748
2,70,909	3,100	5,128	1,67,746	4,751	52,117
3,90,062	22,714	15,724	2,14,238	5,384	59,480
2,67,986	..	7,799	2,36,731	4,454	52,825
1,58,771	..	12,837	2,03,461	3,285	30,790
5,57,304	..	13,787	4,48,795	4,861	34,715
7,21,570	32,232	17,679	2,30,721	6,538	57,200
2,36,975	2,454	8,436	71,191	4,089	18,186
2,44,168	20,220	5,653	2,24,517	2,310	35,465
2,63,787	..	4,449	1,51,738	3,564	50,225
1,87,549	1,964	4,851	2,49,411	3,611	16,126
3,44,970	..	8,495	2,01,970	3,142	47,340
1,56,765	2,000	4,655	1,08,458	3,339	34,285
3,44,833	17,254	16,027	91,918	3,974	33,252
5,69,579	2,00,626	18,861	4,84,815	6,036	57,348
3,07,744	185	12,576	1,81,744	5,547	69,670
3,06,531	..	35,337	2,52,739	8,201	79,383
3,31,763	..	26,176	3,82,615	6,798	53,689
1,72,889	..	36,658	88,131	3,307	39,900
1,60,121	..	12,362	1,22,884	5,467	38,256
2,47,564	..	3,294	1,52,826	2,893	48,357
68,63,649	3,51,799	2,93,773	45,50,882	1,07,255	10,23,942
21,17,378	5,90,047	27,743	11,83,675	18,206	1,26,815
3,13,007	25,202	2,039	1,86,212	2,575	26,800
9,79,376	14,881	12,643	3,24,462	4,198	56,710
3,15,355	4,632	8,108	2,02,749	4,199	33,550
12,86,511	2,92,930	10,017	7,68,732	7,327	81,120
34,513	..	786	552	427	10,930
15,512	14,621	3,201	979	376	2,815
16,57,205	10,77,814	40,592	21,10,420	15,642	88,270
3,24,561	6,510	1,769	2,67,970	4,040	28,030
7,89,321	2,62,974	7,838	3,53,593	5,971	59,895
5,68,552	670	10,061	2,73,804	8,496	60,856
6,56,327	1,80,112	2,152	1,62,827	7,478	27,085
90,57,618	24,70,393	1,26,949	58,35,975	78,935	6,02,876
1,59,21,267	28,22,192	4,20,722	1,03,86,857	1,86,190	16,26,818

APPENDIX

Operations of Central

Name of Central Bank (1)	Loans and deposits held at the end of the year from				Reserve Fund (25)				
	Societies (21)	Provincial or Central Banks (22)	Govern- ment (23)	Indivi- duals and other sources (24)					
						Rs.	Rs.	Rs.	Rs.
						Rs.	Rs.	Rs.	Rs.
I									
(a) Provincial Bank ..	1,46,434	67,02,792	..	59,32,329	2,45,000				
II									
(b) Central Bank									
District	Central Bank								
Nagpur ..	Nagpur ..	58,513	..	..	2,93,443	40,156			
Chanda ..	Brahmapuri ..	42,558	..	..	1,04,179	22,001			
	Warora ..	40,333	1,431	..	1,05,815	10,122			
Wardha ..	Wardha ..	53,415	1,600	..	2,36,419	25,387			
Betul ..	Betul ..	1,32,056	..	..	3,02,490	56,842			
Chhindwara ..	Chhindwara ..	59,296	..	..	2,30,030	22,391			
	Seoni ..	30,704	..	..	1,58,444	13,030			
Jubbulpore ..	Jubbulpore ..	76,474	..	..	6,01,142	25,929			
	Sehora ..	2,06,378	3,02,921	..	2,06,189	66,423			
Saugor ..	Murwara ..	49,210	46,113	..	1,37,813	16,076			
	Saugor ..	38,600	..	..	2,03,920	27,548			
Mandla ..	Damoh ..	58,883	..	..	2,21,504	25,140			
	Mandla ..	13,656	..	..	1,45,875	6,558			
Hoshangabad ..	Hoshangabad ..	86,844	..	..	2,41,888	39,333			
	Harda ..	37,920	..	..	1,14,746	33,151			
Nimar ..	Sohagpur ..	82,911	1,69,123	..	1,24,870	32,353			
	Narsinghpur ..	1,05,289	64,697	..	4,78,810	34,090			
Nimar ..	Nimar ..	73,265	..	..	2,14,103	39,832			
Raipur ..	Raipur ..	75,892	5,361	..	2,38,277	57,089			
Bilaspur ..	Bilaspur ..	77,495	..	..	3,40,452	36,019			
Drug ..	Drug ..	29,370	..	..	96,777	53,437			
Bhandara ..	Bhandara ..	31,981	..	..	1,61,815	24,371			
Balaghat ..	Balaghat ..	43,642	..	..	97,827	86,738			
Total for Central Provinces ..		15,04,685	5,91,246	..	50,56,828	7,94,016			
Amraoti ..	Amraoti ..	2,73,861	6,62,375	..	13,50,414	1,33,552			
	Ellichpur ..	36,142	5,016	..	3,33,021	21,933			
	Morsi ..	1,02,207	2,71,581	..	7,40,739	23,848			
	Daryapur ..	49,287	89,655	..	2,81,484	17,939			
Yeotmal ..	Yeotmal ..	1,53,917	3,17,065	..	10,24,271	60,116			
	Pusad ..	2,725	..	..	19,008	2,725			
Akola ..	Darwah ..	424	8,852	..	4,979	39			
	Akola ..	2,49,886	3,80,116	..	19,10,684	1,35,914			
Buldana ..	Buldana ..	44,330	1,17,478	..	3,00,437	18,447			
	Khamgaon ..	55,325	3,60,636	..	4,13,366	43,056			
	Mehkar ..	1,06,304	..	..	4,51,668	63,755			
	Malkapur ..	26,860	2,29,949	..	2,87,542	8,381			
Total for Berar ..		11,01,268	24,42,723	..	71,17,613	5,29,705			
Total for Central Provinces and Berar ..		26,05,953	30,33,969	..	1,21,74,441	13,23,721			



A

## Banks in 1935-36—concl'd.

Other funds	Working capital	Profit and loss for the year	Dividend paid on shares during the year	Most usual rate of interest		Uncalled and subscribed share capital
				On borrowings	On lendings	
(26)	(27)	(28)	(29)	(30)	(31)	(32)
Rs.	Rs.	Rs.	Per cent	Per cent	Per cent	Rs.
8,52,771	1,44,15,386	+49,455	4½	2	5	..
85,788	5,29,575	+7,311	4½	4	9	..
21,116	2,29,764	+3,102	3½	3½	8	..
17,062	1,98,511	+1,228	1½	3	9½	12
63,595	4,32,533	+9,388	3	5	10	..
84,910	6,35,778	+197	..	4	8½	..
84,448	4,48,990	..	..	4	9	..
38,014	2,70,982	..	..	4½	7	..
55,432	7,93,692	..	..	5	8	..
1,72,143	10,11,254	..	..	5½	8	..
45,862	3,13,260	..	..	5	8	..
59,749	3,65,282	..	..	5½	8	..
49,468	4,05,220	..	..	6	8	..
37,196	2,19,411	..	..	4	10	..
1,05,300	5,20,705	..	..	6	8	..
36,030	2,56,132	+2,244	6	6	7½	..
45,955	4,88,464	..	..	5½	8½	..
1,29,423	8,69,657	..	..	5	7½	..
89,669	4,86,539	+8,350	6	5½	8	..
43,224	4,99,226	+1,634	3	2½	9	..
33,124	5,40,779	+3,024	3½	2½	9	958
50,089	2,69,573	+6,057	4	5	9	950
31,436	2,87,859	+1,964	6	3	9	..
1,70,767	4,47,331	+8,147	6½	2	6½	270
15,49,800	1,05,20,517	+52,646	..	..	..	..
5,25,749	30,72,766	..	..	5	8	..
51,900	4,74,812	..	..	5	8	..
1,36,330	13,31,415	..	..	5½	9	..
54,963	5,26,878	+4,929	..	5	8	..
2,55,585	18,92,074	+32,166	..	5	7½	..
1,630	37,018	+1,014	..	6	9	..
97	17,206	+143	3½	5	9	..
4,33,738	31,98,608	..	..	5	8	..
88,869	5,97,591	..	..	5	8½	..
2,51,155	11,83,433	..	..	6	10	..
2,02,207	8,84,790	..	..	5½	8	..
1,95,450	7,75,267	..	..	6	10	..
21,97,673	1,39,91,858	+38,252	..	..	..	..
37,47,473	2,45,12,375	+90,898	..	..	..	..

APPENDIX

Balance sheet of Central

Name of the Bank	Assets					
	Cash in hand and in banks	Market value of investments	Loans due in from members (individuals)	Deposits with provincial banks and others	Loans due from societies Total loans due in form affiliated societies	
	(1)	(2)	(3)	(4)	(5)	
	Rs.	Rs.	Rs.	Rs.	Rs.	
I						
(a) Provincial Bank ..	2,32,100	59,37,488	42,458	47,53,999	*34,33,362	
II						
(b) Central Banks						
District ..	Central Bank					
Nagpur ..	Nagpur ..	126	1,46,941	17	1,45,650	2,13,099
Chanda ..	Brahmapuri ..	2,218	74,978	517	61,216	88,575
	Warora ..	3,384	83,206	424	34,360	78,909
Wardha ..	Wardha ..	5,110	1,51,178	624	36,560	2,34,349
Betul ..	Betul ..	4,759	2,35,087	734	25,685	3,64,377
Chhindwara ..	Chhindwara ..	5,069	1,40,780	4,771	8,759	2,59,227
	Seoni ..	22,645	78,334	1,987	36,360	1,22,411
Jubbulpore ..	Jubbulpore ..	3,286	2,21,190	144	20,465	5,36,839
	Sihora ..	7,775	2,61,289	327	..	7,21,570
Saugor ..	Murwara ..	5,425	58,109	..	90	2,36,885
	Saugor ..	7,518	1,09,195	655	94,357	1,49,811
Mandla ..	Damoh ..	5,398	1,19,267	4,272	12,889	2,50,898
	Mandla ..	2,646	22,122	81	1,335	1,86,214
Hoshangabad ..	Hoshangabad ..	3,563	1,61,933	152	2,004	3,42,966
	Harda ..	3,888	95,502	739	28,946	1,27,819
	Sohagpur ..	3,259	1,26,801	..	2,727	3,42,106
Nimar ..	Narsinghpur ..	15,563	2,53,545	2,789	7,876	5,61,703
	Nimar ..	6,003	1,86,326	..	1,03,880	2,03,864
Raipur ..	Raipur ..	6,215	1,38,831	116	1,96,677	1,09,854
Bilaspur ..	Bilaspur ..	7,443	1,76,573	..	2,18,758	1,13,005
Drug ..	Drug ..	4,678	87,921	22	90,182	82,707
Bhandara ..	Bhandara ..	3,686	1,15,415	1,976	96,428	63,693
Balaghat ..	Balaghat ..	1,819	1,93,621	1,581	1,04,913	1,42,651
Total for Central Provinces ..		1,31,476	32,38,144	21,928	13,30,117	55,33,532
Amraoti ..	Amraoti ..	8,100	3,69,460	13,781	247	21,17,131
	Ellichpur ..	4,542	1,16,982	1,991	25,552	2,87,455
	Morsi ..	3,595	1,79,865	1,630	..	9,79,376
	Daryapur ..	2,807	1,32,402	1,173	3,691	3,11,664
	Yeotmal ..	Yeotmal ..	2,022	4,95,759	2,457	1,663
Yeotmal ..	Pusad ..	621	5,044	3	6,183	28,330
	Darwah ..	1,631	312	17	..	15,512
Akola ..	Akola ..	1,787	4,19,632	61,058	1,862	16,55,343
	Buldana ..	7,980	94,436	3,092	561	3,24,000
Buladna ..	Buladna ..	1,196	1,09,673	27,946	633	7,88,688
	Mehkar ..	3,997	2,60,327	880	583	5,67,969
	Malkapur ..	2,022	42,957	2,870	..	6,56,327
Total for Berar ..		40,300	22,26,849	1,16,898	40,975	90,16,643
Total for Central Provinces and Berar		1,71,776	54,64,993	1,38,826	13,71,092	1,45,50,175

NOTE.—The figures contained in

\*Includes loans due in from central banks and suc

B

Banks as on 30th June 1936

Assets							
Loans due from societies			Interest accrued to the bank	Value of stock in hand		Other items	Total
Of which over due	Considered bad	Considered doubtful		Land	Building furniture and stock		
(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
..	..	..	1,54,531	..	73,137	..	1,46,27,075
1,60,160	35,672	2,574	22,779	800	16,384	66	5,45,862
17,026	3,200	33	3,207	..	6,927	..	2,37,638
54,345	12,283	1,068	2,204	60	485	..	2,03,032
2,18,340	11,466	65,973	2,743	..	17,567	..	4,48,131
3,50,755	49,794	11,067	10,489	3,376	24,020	..	6,68,527
2,45,361	92,611	8,466	33,451	1,795	1,135	..	4,54,987
99,303	32,304	17,622	3,713	..	7,789	..	2,73,239
4,25,579	61,372	39,472	5,713	160	19,316	..	8,07,113
7,05,253	1,93,712	1,04,070	9,333	5,254	15,640	..	10,21,188
2,35,874	32,254	32,176	697	..	14,582	..	3,15,788
1,30,194	50,568	4,398	4,868	1,292	2,042	4	3,69,742
2,45,874	61,500	9,057	10,506	794	10,041	..	4,14,065
1,83,375	30,851	36,768	560	..	9,244	..	2,22,202
2,96,910	1,08,126	38,313	1,960	3,613	10,033	..	5,26,224
1,22,843	15,751	2,212	2,772	1,520	1,132	..	2,62,318
3,38,870	73,216	31,479	4,929	7,889	10,866	105	4,98,682
5,03,505	1,55,539	32,672	11,293	1,235	23,261	..	8,77,265
1,91,814	69,363	10,732	7,140	..	616	..	5,07,829
5,421	1,158	773	6,553	146	47,151	..	5,05,543
529	..	..	7,089	..	25,752	..	5,48,620
3,695	567	..	5,073	..	13,049	..	2,83,632
22,320	8,331	1,429	9,075	35	6,149	..	2,96,457
1,35,125	79,401	19,041	9,664	2,860	7,381	..	4,64,490
46,92,471	11,79,079	4,69,395	1,75,811	30,829	2,90,562	175	1,07,52,574
15,78,807	6,43,967	..	85,701	4,73,747	72,748	..	31,40,915
2,74,154	62,132	2,055	2,563	40,950	2,105	1,660	4,83,800
7,64,820	96,107	4,434	8,935	1,21,925	57,023	..	13,52,349
2,90,090	35,711	..	5,440	68,316	24,774	..	5,50,267
12,79,723	1,85,271	..	13,681	1,37,318	24,589	..	19,62,337
27,915	..	2,523	..	..	..	..	40,181
9,369	..	..	6	..	34	..	17,512
16,55,343	7,93,247	..	9,211	10,14,076	27,020	62,864	32,52,853
3,22,135	1,27,388	1,413	4,106	1,49,331	21,716	4,220	6,09,442
7,80,318	5,89,850	..	3,161	2,18,410	46,698	..	11,96,405
5,63,241	1,79,772	..	10,691	28,863	33,210	..	9,06,520
6,56,032	4,12,480	..	1,630	70,926	632	7,024	7,84,388
82,01,947	31,25,925	10,425	1,45,125	23,23,862	3,10,549	75,768	1,42,96,969
1,28,94,418	43,05,004	4,79,820	3,20,936	23,54,691	6,01,111	75,943	2,50,49,543

this balance sheet are unaudited.  
societies as are not affiliated to any central bank.

APPENDIX  
*Balance sheet of Central Banks*

Name of the Bank	Liabilities						
	Loans and deposits from non-members and from members in an individual capacity	Loans and deposits from provincial and Central Banks	Loans and deposits from societies	Loans from Government	Share-capital paid up	Interest due by the bank	
(1)	(15)	(16)	(17)	(18)	(19)	(20)	
I	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
<b>(a) Provincial Bank</b>	59,32,329	67,02,792	1,46,434	..	5,36,060	1,60,291	
<b>II</b>							
<b>(b) Central Banks</b>							
District	Central Bank						
Nagpur ..	Nagpur ..	2,93,443	..	58,513	..	51,675	6,197
Chanda ..	{ Brahmapuri ..	1,04,179	..	42,558	..	39,910	3,720
	{ Warora ..	1,05,815	1,431	40,333	..	23,748	2,306
Wardha ..	Wardha ..	2,36,419	1,600	53,415	..	52,117	3,144
Betul ..	Betul ..	3,02,490	..	1,32,056	..	59,480	12,742
Chhindwara	{ Chhindwara	2,30,030	..	59,296	..	{ 31,644 P21,181	5,556
	{ Seoni ..	1,58,444	..	30,704	..		30,790
Jubbulpore ..	{ Jubbulpore	6,01,142	..	76,474	..	34,715	12,796
	{ Sihora ..	2,06,189	3,02,921	2,06,378	..	57,200	9,508
	{ Murwara ..	1,37,813	46,113	49,210	..	18,186	2,298
Saugor ..	{ Saugor ..	2,03,920	..	38,600	..	35,465	4,166
	{ Damoh ..	2,21,504	..	58,883	..	50,225	8,379
Mandla ..	Mandla ..	1,45,875	..	13,656	..	16,126	2,591
Hoshangabad	{ Hoshangabad	2,41,888	..	86,844	..	47,340	5,267
	{ Harda ..	1,14,746	..	37,920	..	34,285	1,313
	{ Sohagpur ..	1,24,870	1,69,123	82,911	..	{ 25,982 P 7,270	9,905
	{ Narsinghpur	4,78,810	64,697	1,05,289	..		45,286
Nimar ..	Nimar ..	2,14,103	..	73,265	..	69,670	3,751
Raipur ..	Raipur ..	2,38,277	5,361	75,892	..	79,383	2,203
Bilaspur ..	Bilaspur ..	3,40,452	..	77,495	..	53,689	4,840
Drug ..	Drug ..	96,777	..	29,370	..	39,900	2,249
Bhandara ..	Bhandara ..	1,61,815	..	31,981	..	38,256	3,481
Balaghat ..	Balaghat ..	97,827	..	43,642	..	48,357	458
Total for Central Provinces	50,56,828	5,91,246	15,04,685	..	10,23,942	1,16,039	

B  
as on 30th June 1936—contd.

Liabilities							
Cost of management due	Other items	Reserve Fund under section 33 of Act II of 1912	Other funds created out of profits		Other undistributed profits carried forward	Total	Profit or loss
			Provision for bad and doubtful debts	Other funds			
(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
..	..	2,45,000	70,000	7,82,771	426	1,45,76,103	+50,972
532	..	40,156	52,884	32,904	683	5,36,987	+8,875
319	..	22,001	3,211	17,905	..	2,33,803	+3,835
121	..	10,122	12,550	4,512	462	2,01,400	+1,632
310	175	25,387	37,859	25,736	1,351	4,37,513	+10,618
358	..	56,842	55,362	29,548	..	6,48,878	+19,649
439	..	P 22,391	84,317	131	..	4,54,987	..
222	..	{ 8,936	33,842	4,172	..	2,73,239	..
422	..	{ P. 4,094	52,173	3,259	203	8,07,113	..
426	..	{ 3,573	1,70,641	1,502	..	10,21,188	..
230	..	{ P22,356	42,960	2,882	..	3,15,788	..
271	..	{ 8,663	59,749	..	23	3,69,742	..
172	..	{ P57,760	48,578	890	294	4,14,065	..
200	..	{ 16,076	36,751	445	..	2,22,202	..
252	..	{ P 183	1,01,605	3,695	..	5,26,224	..
311	..	{ P 6,375	21,554	14,476	1,553	2,59,309	+3,009
313	..	{ P19,292	44,086	1,869	..	4,98,682	..
476	..	P. 32,353	1,25,750	3,673	..	8,77,265	..
441	..	P. 34,090	72,940	16,729	8,748	4,99,479	+8,350
451	..	39,832	1,456	41,768	..	5,01,880	+3,663
412	..	57,089	..	33,124	277	5,46,308	2,312
218	..	36,019	567	49,522	4,904	2,76,944	+6,688
295	..	53,437	13,646	17,790	2,430	2,94,065	+2,392
165	..	24,371	89,834	80,933	4,860	4,52,814	+11,676
7,356	175	86,738	11,62,335	3,87,465	25,788	1,06,69,875	+82,699

APPENDIX

*Balance sheet of Central Banks*

Name of the Bank	Liabilities						
	Loans and deposits from non-members and from members in an individual capacity	Loans and deposits from provincial and Central Banks	Loans and deposits from societies	Loans from Government	Share-capital paid up	Interest due by the bank	
	(1)	(15)	(16)	(17)	(18)	(19)	(20)
I	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
<b>(b) Central Banks</b>							
Amraoti ..	Amraoti ..	13,50,414	6,62,375	2,73,861	..	1,26,815	66,927
	Ellichpur ..	3,33,021	5,016	36,142	..	26,800	8,619
Yeotmal ..	Morsi ..	7,40,739	2,71,581	1,02,207	..	56,710	20,730
	Daryapur ..	2,81,484	89,655	49,287	..	33,550	8,296
	Yeotmal ..	10,24,271	3,17,065	1,53,917	..	81,120	31,606
	Pusad ..	19,008	..	2,725	..	10,930	440
Akola ..	Darwah ..	4,979	8,852	424	..	2,815	138
	Akoia ..	19,10,684	3,80,116	2,49,886	..	10,105	49,161
Buldana ..	Buldana ..	3,00,437	1,17,478	44,330	..	P78,165	9,898
						6,823	
	Khamgaon ..	4,13,366	3,60,636	55,325	..	P21,207	12,640
						36,820	
						P23,075	
Mehkar ..	4,51,668	..	1,06,304	..	60,856	15,764	
Malkapur ..	2,87,542	2,29,940	26,860	..	16,757	7,970	
					..	P10,328	
Total for Berar ..		71,17,613	24,42,723	11,01,268	..	6,02,876	2,32,189
Total for Central Provinces and Berar.		1,21,74,441	30,33,969	26,05,953	..	16,26,818	3,48,228

B

as on 30th June 1936—concl'd.

Liabilities							
Cost of management due	Other items	Reserve Fund under section 33 of Act II of 1912	Other funds created out of profits		Other undistributed profits carried forward	Total	Profit or loss
			Provision for bad and doubtful debts	Other funds			
(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1,222	..	{ 3,073	4,42,367	83,382	..	31,40,915	..
199	..	{ P1,30,479	51,703	197	170	4,83,800	..
204	..	{ 23,848	1,07,594	28,736	..	13,52,349	..
..	..	{ 17,939	35,711	19,252	318	5,35,492	+14,775
..	..	{ P11,105	1,85,271	70,314	5,899	19,29,579	+32,758
..	..	2,725	841	789	294	37,752	+2,429
15	..	39	..	97	..	17,359	+153
..	..	P1,35,914	4,25,191	8,547	5,084	32,52,853	..
213	..	P 18,447	86,412	2,457	1,740	6,09,442	..
332	..	P 43,056	2,44,257	6,898	..	11,96,405	..
339	..	63,755	1,66,482	35,725	5,627	9,06,520	..
1,151	..	P. 8,381	1,95,300	150	..	7,84,388	..
3,675	..	5,29,705	19,41,129	2,56,544	19,132	1,42,46,854	+50,115
11,031	175	13,23,721	31,03,464	6,44,009	44,920	2,46,16,729	+1,32,814

APPENDIX

*Capital, Reserve, Deposits, Loans and Cash of the Co-operative Banks*

Serial No.	Name of Bank	Year	Capital and Reserve			Total
			Paid up share capital	Reserve fund under section 33 of Act II of 1912	Other funds	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>(A) Banks having Capital and Reserve over Rs. 5 lakhs</i>						
			Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
1	Provincial Bank	{ 1931-32 .. { 1932-33 .. { 1933-34 .. { 1934-35 .. { 1935-36 ..	583 571 562 546 536	210 215 225 230 245	79 126 153 417 853	872 912 940 1,193 1,634
2	Amraoti	{ 1931-32 .. { 1932-33 .. { 1933-34 .. { 1934-35 .. { 1935-36 ..	138 137 135 132 127	111 117 122 128 134	313 396 424 566 526	562 650 681 826 787
3	Akola	{ 1931-32 .. { 1932-33 .. { 1933-34 .. { 1934-35 .. { 1935-36 ..	103 102 97 96 88	104 112 115 120 136	311 425 464 483 434	518 639 676 699 658
<i>(B) Banks having Capital and Reserve over Rs. 1 lakh and less than Rs. 5 lakhs.</i>						
1	Nagpur	{ 1931-32 .. { 1932-33 .. { 1933-34 .. { 1934-35 .. { 1935-36 ..	58 55 53 52 52	35 35 37 38 40	75 75 74 83 86	168 165 164 173 178
2	Wardha	{ 1931-32 .. { 1932-33 .. { 1933-34 .. { 1934-35 .. { 1935-36 ..	57 55 55 53 52	22 22 25 26 25	32 36 34 54 64	111 113 114 133 141
3	Betul	{ 1931-32 .. { 1932-33 .. { 1933-34 .. { 1934-35 .. { 1935-36 ..	64 62 60 60 59	47 49 49 54 57	52 63 61 75 85	163 174 170 189 201
4	Chhindwara	{ 1931-32 .. { 1932-33 .. { 1933-34 .. { 1934-35 .. { 1935-36 ..	56 55 54 53 53	19 20 21 22 22	69 74 74 78 84	144 149 149 153 159
5	Jubbulpore	{ 1931-32 .. { 1932-33 .. { 1933-34 .. { 1934-35 .. { 1935-36 ..	40 39 39 35 35	21 23 24 25 26	13 16 30 41 55	74 78 93 101 116



C

in the Central Provinces and Berar, during the past five years.

Non-members and members in the individual capacity (8)	Deposits and loans from				Loans due by			
	Provincial and Central Banks (9)	Societies (10)	Government (11)	Total (12)	Members and individuals (13)	Banks and societies (14)	Total out-standings (15)	Cash in hand and in Banks (16)
	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
4,140	5,333	145	..	9,618	39	2,465	2,504	12
4,614	5,943	144	..	10,701	93	2,677	2,770	152
5,203	6,509	129	..	11,841	90	2,902	2,992	76
5,342	6,472	148	..	11,962	60	3,828	3,888	158
5,932	6,703	146	..	12,781	42	8,187	8,229	232
2,611	401	425	..	3,437	12	2,309	2,321	2
2,505	599	422	..	3,526	26	2,453	2,479	2
2,420	810	440	..	3,670	28	2,478	2,506	2
1,697	354	287	..	2,338	67	2,224	2,291	35
1,350	662	274	..	2,286	14	2,117	2,131	8
1,903	724	264	..	2,891	28	2,097	2,125	1
1,787	308	293	..	2,388	39	1,940	1,979	2
1,878	289	262	..	2,429	41	1,862	1,903	2
1,851	357	266	..	2,474	58	1,739	1,797	1
1,911	380	250	..	2,541	61	1,657	1,718	2
333	5	56	..	394	..	399	399	1
372	..	54	..	426	1	430	431	1
360	..	54	..	414	1	420	421	2
300	..	55	..	355	1	359	360	1
293	..	58	..	351	..	359	359	..
257	..	46	..	303	..	273	273	6
271	..	48	..	319	1	280	281	14
270	4	50	..	324	..	289	289	2
261	..	50	..	311	1	287	288	1
236	2	53	..	291	1	271	272	5
350	..	144	..	494	3	349	352	11
370	..	146	..	516	5	341	346	14
327	1	149	..	477	1	390	391	2
323	..	137	..	460	4	362	366	5
302	..	132	..	434	1	390	391	5
211	10	61	..	282	4	265	269	10
237	..	65	..	302	13	262	275	7
238	..	64	..	302	15	260	275	3
227	..	58	..	285	5	262	267	5
230	..	59	..	289	5	268	273	5
414	41	93	..	548	4	496	500	6
435	28	87	..	550	2	489	491	5
583	..	92	..	675	1	504	505	6
616	..	85	..	701	..	529	529	6
601	..	76	..	677	..	558	558	3

APPENDIX

*Capital, Reserve, Deposits, Loans and Cash of the Co-operative Banks*

Serial No.	Name of Bank	Year	Capital and Reserve			
			Paid up share capital	Reserve fund under section 33 of Act II of 1912	Other funds	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>(B) Banks having Capital and Reserve over Rs. 1 lakh and less than Rs. 5 lakhs—contd.</i>						
			Rs.	Rs.	Rs.	Rs.
			(1,000)	(1,000)	(1,000)	(1,000)
6	Sihora	{ 1931-32 ..	75	52	89	216
		{ 1932-33 ..	70	57	156	283
		{ 1933-34 ..	66	61	162	289
		{ 1934-35 ..	58	64	173	295
		{ 1935-36 ..	57	66	172	295
7	Saugor	{ 1931-32 ..	42	25	53	120
		{ 1932-33 ..	37	26	57	120
		{ 1933-34 ..	37	28	53	118
		{ 1934-35 ..	35	28	56	119
		{ 1935-36 ..	35	28	60	123
8	Damoh	{ 1931-32 ..	51	23	42	116
		{ 1932-33 ..	51	23	49	123
		{ 1933-34 ..	50	25	50	125
		{ 1934-35 ..	50	24	49	123
		{ 1935-36 ..	50	25	49	124
9	Hoshangabad	{ 1931-32 ..	55	34	75	164
		{ 1932-33 ..	55	35	87	177
		{ 1933-34 ..	54	33	97	184
		{ 1934-35 ..	48	38	100	186
		{ 1935-36 ..	47	39	105	191
10	Harda	{ 1931-32 ..	35	26	29	90
		{ 1932-33 ..	35	29	30	94
		{ 1933-34 ..	34	30	32	96
		{ 1934-35 ..	34	32	36	102
		{ 1935-36 ..	34	33	36	103
11	Sohagpur	{ 1931-32 ..	36	29	33	98
		{ 1932-33 ..	35	28	42	105
		{ 1933-34 ..	34	27	45	106
		{ 1934-35 ..	34	30	45	109
		{ 1935-36 ..	33	32	46	111
12	Narsinghpur	{ 1931-32 ..	63	34	50	147
		{ 1932-33 ..	63	34	95	192
		{ 1933-34 ..	62	34	103	199
		{ 1934-35 ..	59	34	119	212
		{ 1935-36 ..	57	34	129	220
13	Nimar	{ 1931-32 ..	72	29	84	185
		{ 1932-33 ..	70	31	84	185
		{ 1933-34 ..	69	33	87	189
		{ 1934-35 ..	69	40	91	200
		{ 1935-36 ..	70	40	90	200

C

*in the Central Provinces and Berar, during the past five years—contd.*

Non-members and members in the individual capacity (8)	Deposits and loans from				Loans due by			
	Provincial and Central Banks	Societies	Government	Total	Members and individuals	Banks and societies	Total out-standings	Cash in hand and in Banks
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
262	315	197	..	774	..	778	778	10
271	282	195	..	748	..	763	763	8
240	299	202	..	741	..	760	760	9
243	289	206	..	738	..	738	738	13
206	303	206	..	715	..	722	722	8
175	..	60	..	235	..	237	237	3
171	..	47	..	218	..	235	235	9
167	..	42	..	209	..	218	218	4
195	..	43	..	238	1	243	244	3
203	..	39	..	242	1	244	245	8
194	..	58	..	252	..	263	263	7
195	..	61	..	256	1	268	269	5
209	..	60	..	269	2	278	280	5
226	..	61	..	287	3	279	282	6
221	..	59	..	280	4	264	268	5
246	11	79	..	336	1	347	348	10
202	11	86	..	299	1	332	333	3
212	9	87	..	308	..	334	334	9
212	..	90	..	302	..	334	334	8
242	..	87	..	329	..	345	345	4
93	..	38	..	131	..	132	132	5
90	..	38	..	128	..	130	130	7
111	..	41	..	152	..	156	156	4
110	..	40	..	150	1	154	155	4
115	..	38	..	153	1	157	158	4
100	167	99	..	366	1	330	331	3
87	169	104	..	360	1	334	335	3
88	176	101	..	365	1	338	339	2
99	175	103	..	377	..	342	342	2
125	169	83	..	377	..	345	345	3
345	129	96	..	570	..	534	534	7
361	91	110	..	562	..	544	544	9
502	20	115	..	637	..	562	562	6
475	82	112	..	669	2	595	597	11
479	65	105	..	649	3	570	573	16
129	..	71	..	200	3	247	250	5
137	..	82	..	219	1	250	251	6
198	..	72	..	270	1	293	294	6
198	..	73	..	271	1	296	297	4
214	..	73	..	287	..	308	308	6

APPENDIX

*Capital Reserve, Deposits, Loans and Cash of the Co-operative Banks*

Serial No.	Name of Bank	Year	Capital and Reserve			
			Paid up share capital	Reserve fund under section 33 of Act, II of 1912	Other funds	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>(B) Banks having Capital and Reserve over Rs. 1 lakh and less than Rs. 5 lakhs—contd.</i>						
			Rs.	Rs.	Rs.	Rs.
			(1,000)	(1,000)	(1,000)	(1,000)
14	Raipur	1931-32	81	54	31	166
		1932-33	81	54	31	166
		1933-34	80	55	31	166
		1934-35	80	56	41	177
		1935-36	79	57	43	179
15	Bilaspur	1931-32	60	29	22	111
		1932-33	58	31	27	116
		1933-34	56	32	26	114
		1934-35	54	34	27	115
		1935-36	54	36	33	123
16	Drug	1931-32	48	47	46	141
		1932-33	47	49	42	138
		1933-34	47	50	46	143
		1934-35	47	52	44	143
		1935-36	40	53	50	143
17	Balaghat	1931-32	56	83	185	324
		1932-33	55	87	192	334
		1933-34	52	95	193	340
		1934-35	50	97	177	324
		1935-36	48	87	171	306
18	Ellichpur	1931-32	27	18	31	76
		1932-33	27	19	37	83
		1933-34	27	20	39	86
		1934-35	27	21	44	92
		1935-36	27	22	52	101
19	Morsi	1931-32	74	20	55	149
		1932-33	60	21	80	161
		1933-34	59	22	103	184
		1934-35	58	23	122	203
		1935-36	57	24	136	217
20	Daryapur	1931-32	34	15	27	76
		1932-33	34	15	39	88
		1933-34	36	16	46	98
		1934-35	34	17	54	105
		1935-36	34	18	55	107
21	Yeotmal	1931-32	97	49	69	215
		1932-33	97	51	159	307
		1933-34	97	53	194	344
		1934-35	97	55	255	407
		1935-36	81	60	256	397

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*in the Central Provinces and Berar, during the past five years—contd.*

Deposits and loans from					Loans due by			
Non-members and members in the individual capacity (8)	Provincial and Central Banks (9)	Societies (10)	Government (11)	Total (12)	Members and individuals (13)	Banks and societies (14)	Total out-standings (15)	Cash in hand and in Bank (16)
Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
266	15	65	..	346	2	313	315	21
282	11	67	..	360	1	334	335	13
197	9	74	..	280	1	284	285	9
211	7	77	..	295	2	291	293	9
238	5	76	..	319	..	307	307	6
308	..	50	..	358	1	317	318	10
391	..	53	..	444	..	402	402	10
403	..	61	..	464	..	410	410	7
321	..	75	..	396	..	320	320	12
340	..	77	..	417	..	332	332	7
73	..	36	..	109	..	141	141	11
70	..	30	..	100	..	139	139	3
73	..	29	..	102	..	146	146	5
82	..	30	..	112	..	160	160	2
97	..	29	..	126	..	173	173	5
103	..	72	..	175	7	327	334	3
100	..	59	..	159	7	307	314	2
107	..	51	..	158	8	300	308	1
101	..	42	..	143	3	262	265	1
87	..	44	..	131	2	248	250	2
208	90	34	..	332	1	309	310	3
227	73	27	..	327	2	288	290	2
251	51	35	..	337	4	270	274	5
324	..	37	..	361	6	291	297	2
333	5	36	..	374	2	313	315	5
502	420	121	..	1,043	8	813	821	5
606	278	111	..	995	7	910	917	2
604	307	117	..	1,028	8	983	991	4
693	294	118	..	1,105	7	965	972	5
740	272	102	..	1,114	2	979	981	4
233	69	44	..	346	1	335	336	3
227	86	53	..	366	2	351	353	2
259	90	61	..	410	2	360	362	..
281	91	64	..	436	3	354	357	2
281	90	49	..	420	1	315	316	3
1,163	229	215	..	1,607	1	1,283	1,284	2
961	367	211	..	1,539	1	1,318	1,319	1
917	430	183	..	1,530	..	1,342	1,342	2
941	452	190	..	1,583	1	1,372	1,373	5
1,024	317	154	..	1,495	2	1,287	1,289	2

## APPENDIX

### *Capital, Reserve, Deposits, Loans and Cash of the Co-operative Banks*

Serial No.	Name of Bank	Year	Capital and Reserve			Total
			Paid up share capital	Reserve fund under section 33 of Act II of 1912	Other funds	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>(B) Banks having Capital and Reserve over Rs. 1 lakh and less than Rs. 5 lakhs—concl.</i>						
			Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
22	Buldana	1931-32 ..	33	16	71	120
		1932-33 ..	33	17	102	152
		1933-34 ..	33	18	108	159
		1934-35 ..	31	18	116	165
		1935-36 ..	28	18	88	134
23	Khamgaon	1931-32 ..	64	30	147	241
		1932-33 ..	62	36	175	273
		1933-34 ..	61	38	197	296
		1934-35 ..	60	41	222	323
		1935-36 ..	60	43	251	354
24	Mehkar	1931-32 ..	71	53	97	221
		1932-33 ..	64	56	131	251
		1933-34 ..	62	58	163	283
		1934-35 ..	62	61	181	304
		1935-36 ..	61	64	202	327
25	Malkapur	1931-32 ..	24	6	80	110
		1932-33 ..	27	7	110	144
		1933-34 ..	27	8	134	169
		1934-35 ..	27	8	169	204
		1935-36 ..	27	8	195	230

C

*in the Central Provinces and Berar, during the past five years—concl'd.*

Deposits and loans from					Loans due by			
Non-members and members in the individual capacity	Provincial and Central Banks	Societies	Government	Total	Members and individuals	Banks and societies	Total out-standings	Cash in hand and in Bank
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
369	75	51	..	495	1	482	483	7
313	111	55	..	479	1	464	465	7
296	123	55	..	474	2	437	439	5
303	118	59	..	480	1	403	404	8
300	117	44	..	461	3	325	328	8
629	232	88	..	949	28	749	777	1
531	225	91	..	847	35	759	794	1
470	305	92	..	867	26	776	802	1
406	348	57	..	811	27	759	786	1
413	361	55	..	829	28	789	817	1
448	50	152	..	650	3	655	658	7
428	35	128	..	591	2	614	616	4
450	23	142	..	615	..	603	603	2
464	7	136	..	607	..	589	589	6
452	..	106	..	558	1	569	570	4
441	47	48	..	536	6	531	537	7
408	67	42	..	517	7	585	592	1
387	98	42	..	527	8	614	622	..
329	170	31	..	530	7	628	635	6
288	230	27	..	545	..	558	558	3

## APPENDIX D

*Statement showing Number, Capital, Reserve, Deposits and Loans received, Loans outstanding and Cash balance of principal Co-operative Banks in the Central Provinces and Berar at the end of the Provincial year ending the 30th June 1936.*

Year	Number of Banks	Capital	Reserve and other funds	Total	Loans and deposits received	Loans outstanding	Cash balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
		(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
<i>Class A.—Banks with Capital and Reserve of Rs. 5 lakhs and over.</i>							
1926-27	.. 1	612	378	990	7,968	3,053	45
1927-28	.. 1	622	367	989	7,996	1,861	167
1928-29	.. 1	627	378	1,005	9,275	1,312	91
1929-30	.. 1	622	427	1,049	9,599	1,504	68
1930-31	.. 2	752	682	1,434	12,564	4,397	29
1931-32	.. 3	824	1,128	1,952	15,946	6,950	15
1932-33	.. 3	810	1,217	2,027	16,615	7,228	156
1933-34	.. 3	794	1,503	2,297	17,940	7,401	80
1934-35	.. 3	774	1,944	2,718	16,774	7,976	94
1935-36	.. 3	751	2,328	3,079	17,608	12,078	242
<i>Class B.—Banks with Capital and Reserve over Rs. 1 lakh and less than Rs. 5 lakhs.</i>							
1926-27	.. 18	1,438	1,684	3,122	12,331	11,076	121
1927-28	.. 18	1,440	1,907	3,347	12,705	11,127	166
1928-29	.. 19	1,465	2,127	3,592	13,726	11,816	174
1929-30	.. 20	1,482	2,346	3,828	14,802	12,512	177
1930-31	.. 20	1,363	2,245	3,608	12,664	10,980	127
1931-32	.. 20	1,201	2,131	3,332	10,108	9,371	144
1932-33	.. 21	1,192	2,636	3,828	10,257	9,956	123
1933-34	.. 21	1,168	2,837	4,005	10,361	10,102	86
1934-35	.. 22	1,171	3,188	4,359	10,405	10,667	118
1935-36	.. 25	1,230	3,550	4,780	11,863	10,854	121



GOVERNMENT OF THE  
CENTRAL PROVINCES AND BERAR



REPORT  
ON THE WORKING OF  
CO-OPERATIVE SOCIETIES  
IN THE  
CENTRAL PROVINCES & BERAR  
FOR THE YEAR ENDING  
30TH JUNE 1937

NAGPUR  
GOVERNMENT PRINTING, C. P. & BERAR  
1938

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No. 1208-1156-X  
 GOVERNMENT OF THE  
 CENTRAL PROVINCES AND BERAR  
 AGRICULTURE DEPARTMENT

*Nagpur, the 15th July 1938.*

READ—

Report on the working of Co-operative Societies in the Central Provinces and Berar for the year ending the 30th June 1937.

### RESOLUTION

Agriculturally and economically the year was more favourable than its immediate predecessors and prices were higher, but owing to the influence of the previous succession of bad years the year passed without any large improvement being noticeable in the financial condition of the agriculturists. Cash recoveries rose from 12.82 to 14.45 lakhs and the total loans outstanding against members decreased from 68.96 to 60.85 lakhs in the Central Provinces and from 107.83 to 106.88 lakhs in Berar. Similarly, the arrears which represented 84 [85] per cent of the total outstandings in the Central Provinces and 90 [95] per cent in Berar fell from 160.88 to 154.44 lakhs. Excluding the sum due from societies under award and liquidation the percentage of the overdues to the total outstandings was 59 [65] in the Central Provinces while in Berar it was the same, *i.e.*, 89, as in the previous year. No progress was made in releasing the frozen assets of the banks. On the contrary, Government notices with concern that banks in Berar have added considerably to their landed property—an arrangement uneconomical to Government, banks and agriculturists alike. To solve this problem a scheme of spreading outstanding arrears over a number of years and of the restoration of lands to *ex*-owners when they have been paid up has been approved and ordered to be applied to the Yeotmal central bank in the first instance. The result of the experiment will be watched with interest.

2. During the year 221 [171] new societies were registered and 75 [85] were cancelled. Cash advances also increased to Rs. 8.58 [7.40] lakhs. While the increase in

advances is welcome, it must be added that they represent a very small proportion of the actual need for cultivation finance, which is regrettable at a time of contraction of money-lending operations in consequence of debt relief legislation. The new societies are mainly for short-term or crop-loan credit, and Government hopes that care will be taken not only to restrict the loans to the amount required for cultivation but also to insist on punctual repayments on pain of application of coercive proceedings in the event of default.

3. It is gratifying to observe that the financial condition of the movement as a whole is sound. Of its total assets over 52 per cent are in liquid form, and the cash resources of the movement are as high as 59 per cent of the liabilities. The scheme of educating members of primary societies in the principles and practice of co-operation with a view to arousing in them a sense of responsibility and equipping them with the knowledge to manage their affairs without external aid was continued during the year, thanks to the grant from the Government of India. This education together with the adversity experienced in recent years should go a long way towards making primary societies live organizations for all-sided co-operative and beneficent activities. Co-operative institutes carried out their duties of supervision and education satisfactorily although handicapped by want of funds.

4. The credit of the Provincial Bank continues to stand high in the money market and the thanks of Government are due to the managing committee for their sound, progressive and businesslike management. A notable event of the year was the bank's Silver Jubilee which was inaugurated by His Excellency the Governor on the 13th March 1937. In the course of his speech His Excellency complimented the bank in the following terms:—

“The fact that the bank has withstood the economic storm which swept the world and has come out of it unimpaired is a gratifying proof of its inherent strength.”

5. Government is pleased to note that land mortgage banks which increased from 10 to 12 during the year are taking their proper place in the scheme of relief of rural indebtedness. The volume of business is increasing slowly but steadily. Government hopes shortly to have at least one such bank in every district. During the year 500 new applications were received by all the banks.

6. Government is glad to note the success attending the efforts of the Registrar during the year to lower the all round rates of interest on deposits, to curtail expenses of management and to pass on the benefit of consequential savings to borrowing members by way of reduction of rates of interest on loans. This policy will, Government hopes, be continued until no deposit remains carrying interest in excess of 4 per cent and interest on advances is reduced to the figure charged by Government on its taccavi loans.

7. Government endorses the emphasis laid by the Registrar on the need for developing the non-credit side of the movement. A beginning will be made in the current year with multi-purpose societies or village banks, as recommended by the Reserve Bank of India, which will bring within their ambit all the activities of their members.

8. Government wishes to place on record its appreciation of the good work done by honorary workers during the year. It thanks the Registrar and his staff for their care and devotion in guiding the movement to a sounder position.

ORDER.—Ordered that a copy of the Resolution together with the enclosures be forwarded to the Registrar, Co-operative Societies, and to all Commissioners and Deputy Commissioners, Central Provinces and Berar, for information and guidance, and that it be published in Part I of the *Central Provinces and Berar Gazette*.

By order of the Governor,  
Central Provinces & Berar,

C. J. W. LILLIE,

Secy. to Govt., C. P. & Berar,  
*Agriculture Department.*

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## REPORT ON THE WORKING OF CO-OPERATIVE SOCIETIES IN THE CENTRAL PROVINCES AND BERAR FOR THE YEAR ENDING THE 30TH JUNE 1937

[NOTE.—Figures within brackets relate to the figures of the previous year].

### I.—ADMINISTRATION

Staff.—This report is for the year ending the 30th June 1937. The post of Registrar of Co-operative Societies, combined as it is, for reasons of economy, with the posts of Director of Industries, Registrar of Joint Stock Companies, Registrar of Trade Unions, Registrar of Firms, and Secretary, Village Uplift Board, was held by Mr. G. S. Bhalja, I.C.S., till the end of February 1937 when I succeeded him and remained in charge during the rest of the year. The post of the Senior Deputy Registrar was held by Mr. K. B. L. Seth, I.C.S., from the 1st July 1936 to the 30th November 1936 and by me from the 1st December 1936 to the 1st March 1937. Thereafter the post remained vacant till 22nd March 1937 when Mr. H. S. Kamath, I.C.S., took over charge.

2. There was no change in the administrative divisions of the province. The Junior Deputy Registrar, Mr. S. B. Dave, remained in charge of the Berar Circle, while Messrs. V. A. Sant and M. D. Singru held charge of circles I (Jubbulpore) and III (Nagpur), respectively. Mr. G. C. Mukhtyar was in charge of circle IV (Hoshangabad) till the 14th February 1937, after which he was placed in charge of land mortgage banks and Mr. B. W. Phansalkar, Circle Auditor, officiated in his place. Rao Sahib G. K. Hardas, Assistant Registrar, held charge of land mortgage banks throughout the year except for a period of three months from the 21st February 1937 to the 20th May 1937 when he was on leave. During his leave Mr. G. C. Mukhtyar worked as Assistant Registrar of Land Mortgage Banks and thereafter he proceeded on leave for two months. The scheme of training and education financed out of the Government of India grant was carried out by the Educational Inspector assisted by three Assistant Educational Inspectors as in the previous year. A temporary additional staff consisting of five auditors, three from the 1st September 1936 and two from the 15th

November 1936 and two clerks from the 1st April 1937 was created up to the 31st March 1938 for land mortgage banks.

The post of the Village Panchayat Officer, who continued to work under the control of the Registrar, was held by Rao Sahib V. R. Khisty, Extra-Assistant Commissioner, throughout the year except for one month from the 25th April 1937 to the 24th May 1937, during which period he was on leave and the post remained vacant.

3. **Touring.**—The Registrar was out on tour for 98 days in connection with various duties, the Senior Deputy Registrar for 64 days, the Junior Deputy Registrar for 100 days, while the Assistant Registrars in charge of circles I, III and IV, and the Assistant Registrar, Land Mortgage Banks, toured for 157, 147, 153 and 100 days, respectively. The touring was satisfactory.

4. **Cost to the movement.**—The cost to Government increased from Rs. 2,24,372 to Rs. 2,40,193. The increase of Rs. 15,821 was mainly due to the entertainment of the temporary staff for land mortgage banks, the revival of the post of Educational Inspector permanently from the 1st April 1936 and the grant of annual increments to the staff.

The turnover of all co-operative institutions increased by 2.6 per cent from Rs. 9,73,85,799 to Rs. 9,99,13,654 and the percentage of the cost of administration to the turnover decreased to .51 [.55].

The staff maintained by the co-operative institutions numbered 466 [420] while the cost was Rs. 5,09,766 [Rs. 5,33,267]. The decrease in expenditure is explained mainly by reduction in travelling allowance and contingencies.

## II.—SUMMARY OF GENERAL PROGRESS

5. **Character of the agricultural season.**—The following summary is based on the season and crop report of the Director of Land Records for the year ending the 31st May 1937.

The monsoon of 1936 set in by the middle of June and the rainfall was moderate to heavy all over the province till the close of the month. The rainfall in the Central

Provinces was 62.88 inches and in Berar 44.99 inches compared with 69 years' average of 48.97 and 34.55 inches, respectively. In Saugor and Betul the rainfall was about normal while in all other districts it was in excess of the average.

The course of the monsoon till about the end of October was entirely favourable to kharif crops but the unusually heavy rain in the middle of November was unfortunate and marred the promise held out in the earlier months in the case of all kharif crops except rice, while excessive cold in December, cloudy weather, insect pests, hail and rust proved equally harmful to rabi.

The provincial outturn of rice was 14.4 annas [11.7 annas]; of juar 10 annas [9.2 annas]; of cotton 10.4 annas [8.2 annas]; of wheat 10.4 annas [10.1 annas]; of gram 9.9 annas [10.7 annas]; and of linseed 10.4 annas [9.7 annas].

The yields were better than in the preceding year in Jubbulpore, Mandla and in the districts of Nagpur, Chhattisgarh and Berar divisions. In the Chhattisgarh division the yield was normal or a little above it. In Saugor, Hoshangabad and Nimar districts the yields though less than last year ranged from 81 to 88 per cent.

During the year the wholesale prices of rice, cotton, wheat, gram, til and linseed at harvest time rose on an average by 10, 21, 33, 26, 1 and 20 per cent, respectively, as compared with the harvest prices of the previous year, while those of juar fell by 3 per cent. The average retail rate per rupee of rice was 12.1 seers [12.2 seers], of juar 17.1 seers [16.4 seers], of kodon kutki 18.5 seers [20.2 seers], of wheat 10.1 seers [13.6 seers], of gram 12.9 seers [16.9 seers], of til 6.5 seers [6.5 seers] and of linseed 7.8 seers [8.6 seers].

Agriculturally as well as economically, the year was better than the preceding one. Outturn was larger and prices higher and one would naturally expect a definite improvement in the economic condition of the people. But so much leeway had to be made up as a result of a number of successive bad years that the good year passed away without any appreciable effect on the financial condition of the agriculturists.

6. Recoveries.—Recoveries of loans due by societies to central banks amounted to Rs. 14,44,647 [Rs. 12,82,040]. Recoveries of principal amounted to

Rs. 6,71,999 and Rs. 3,29,160 [Rs. 6,83,130 and Rs. 1,23,545] while the total of both principal and interest recovered was Rs. 9,30,881 and Rs. 5,13,766 [Rs. 9,56,260 and Rs. 3,25,780] in the Central Provinces and Berar, respectively. The total cash recoveries decreased by 2.6 per cent in the Central Provinces while they increased by 57.7 per cent in Berar. The total demand which the central banks had to recover during the year was Rs. 1,38,90,445. The actual recoveries, therefore, amounted to 10.4 [8.5] per cent of the demand. To the figure of recovery in Berar may be added 7,026 acres of land purchased by the Berar banks valued at Rs. 3,29,952 during the course of coercive proceedings.

7. **Cash advances.**—There was an increase in cash advances during the year which amounted to Rs. 8,57,563 [Rs. 7,39,962]. In the Central Provinces they increased to Rs. 7,20,041 [Rs. 6,34,788]. Narsinghpur and Bilaspur are primarily responsible for this increase. In Berar these increased to Rs. 1,37,522 [Rs. 1,05,174]. Amraoti, Ellichpur and Malkapur banks contributed largely to this increase. The bulk of fresh financing in the Central Provinces—Rs. 5,93,301 out of Rs. 7,20,041—was done by the Nagpur, Brahmपुरi, Narsinghpur, Raipur, Bilaspur and Drug banks. Elsewhere the business continued to be meagre. Some of the banks did not advance a total sum in three figures and were mere debt collecting agencies. While caution in advancing is of the utmost importance, there is a danger of its being overdone. At least good members must be financed and prevented from having recourse to moneylenders for their essential requirements. Extension of the debt conciliation boards has also told on fresh financing, for loans given subsequent to debt conciliation cannot be recovered through coercive action until instalments have been paid up.

8. **Outstanding loans.**—The total loans outstanding against members of societies in the Central Provinces decreased from Rs. 68,94,801 to Rs. 60,84,822 and in Berar they went down from Rs. 1,07,82,945 to Rs. 1,06,88,190. The fall is mostly due to the separation of unrealized interest from principal, so long mixed up owing to the capitalization system in the past. The outstandings cannot be reduced to any extent until the economic conditions improve and the members are able to pay something towards the principal. The proportion of overdues to the total dues decreased from 84 to 80 per



Serial No.	Liabilities	Amount	Serial No.	Assets	Amount
		Rs			Rs.
	Brought forward ...	1,91,51,988			
5	Paid up share capital	21,21,308	6	Building and stock	6,89,042
			7	Landed property	24,92,016
				B.—Total Fixed Assets.	31,81,058
				Total Liquid and Fixed Assets (A and B).	1,45,48,191
			8	Good debts outstanding against societies.	72,52,865
	Grand Total of Liabilities.	2,12,73,296		Grand Total of Assets.	2,18,91,955

The outside liabilities amount to Rs. 1,91,51,988 against which the movement holds assets estimated at Rs. 2,18,01,056. Of the total assets, Rs. 1,13,67,133 or 52.1 [47.7] per cent are in cash and liquid form and Rs. 31,81,058 or 14.6 [17.6] per cent in other fixed assets. For the liquidation of outside liabilities, only an amount of Rs. 46,03,797 or 63.4 [50.6] per cent of good debts outstanding against societies would suffice, while the proportion of outside liabilities, the repayments of which would depend on recoveries of good debts, is 24.0 [24.5] per cent. Of the good debts [Rs. 72,52,865] Rs. 62,18,180 are secured by first mortgages on lands of members. In Berar, the banks hold first mortgages on 60,061 acres of land. The Berar banks also own 42,517 acres of land acquired for the total value of Rs. 24,55,361 which gives an average of Rs. 58 per acre. These are heartening figures and bear out the claim that the intrinsic stability of the movement taken as a whole has not been undermined by the economic blizzard which has swept the country in the last seven years. I need hardly add that this picture does not apply equally to all banks. Some banks such as Raipur, Bilaspur, Balaghat are towers of strength whereas others such as Sihora, Piparia, Khamgaon, Akola, etc., suffer a precarious existence and are being propped up by the Provincial Bank.

10. Societies and membership.—Seventeen proposals were pending at the commencement of the year and 369 proposals were received during the year. Out of the total of 386, 221 [170] were accepted, 55 rejected, 22 returned for further enquiry and 88 were pending at the close of the year. As many as 74 out of 88 shown as pending at the close of the year were registered in July 1937. One hundred and thirty-three societies were registered in the Central Provinces and 88 in Berar. Out of 133 societies registered in the Central Provinces, Chhattisgarh banks, where the movement is most healthy, were responsible for 67 societies. In Berar 21 and 19 were registered under Khamgaon and Akola, respectively, and 14 each under Malkapur and Ellichpur and the remaining 20 under 6 other banks. Out of the 221 societies registered, 197 were primary agricultural credit societies, 5 non-agricultural credit societies, 3 agricultural associations, 1 seed union, 1 adat shop, 2 clerks' societies, 2 stores, 3 industrial associations, 1 dairy (gaoli), 1 housing, 1 better living, 2 thrift and 2 land mortgage banks.

The registration of 75 [85] societies was cancelled. Of these, 74 were primary agricultural credit societies and 1 clerks' society. The number of co-operative societies of all types thus increased from 3,820 to 3,966 of which 3,708 were primary agricultural credit societies. The total membership increased to 114,411 [110,456]. The working capital, however, declined to Rs. 5,38,15,795 [Rs. 5,40,60,589]. The primary agricultural societies on share basis further increased to 2,069 [1,905] of which 647 are old societies converted into share societies and 1,422 registered on a share basis.

Last year was the first when the movement turned the corner of stagnation and an advance was made by 85 societies. In the year under report, the excess of registration over cancellation rose to 146. A bulk of these societies are crop loan societies which have proved particularly successful in Berar. So far attention has been concentrated on credit societies; now, mainly as a result of the bulletins issued by the Reserve Bank, eyes are being turned to multipurpose societies or village banks which will not only satisfy credit needs of their members but also guide, regulate and help all the village activities which have a bearing on rural economy.

11. Education and supervision of societies.—The group system continued in all the circles. Of the two central banks, *viz.*, Wardha and Balaghat, the latter has

joined the Chhattisgarh Institute after the close of the year. The Wardha central bank has yet to decide finally about joining the Nagpur Institute. The Federation Congress held in August 1937 has appointed a sub-committee to review the system of education and supervision of societies.

It cannot be claimed that the system is uniformly popular. It suffers from two handicaps, financial and administrative. The budgets of institutes show deficits and Government grants are not sufficient to cover them. Berar and Chhattisgarh institutes are living on their accumulated balances, but this state of affairs cannot continue for long. Some eminent co-operators take the view that if Government is unable or unwilling to make good the deficits, the institutes had better "shut up shop" and the movement rather revert to the old system under which each bank was responsible for its own education, supervision and recoveries. The administrative difficulty arises from the fact of dual control. The staff is appointed by the institute and is ultimately responsible to it. It however works under each bank which is vitally interested in the outturn and efficiency of the staff. The whole question will be examined shortly by the sub-committee of the Federation Congress.

**12. Training and propaganda.**—Two hundred and sixty-two [249] rallies were held during the year, 234 in the Central Provinces and 28 in Berar. They were attended by 14,199 members of 2,144 societies and by 18,001 outsiders. The largest number of rallies were held in Chhattisgarh. Raipur continues to lead with 40 rallies and Bilaspur stands second again with 31. Agricultural and veterinary assistants attended 49 and 30 rallies, respectively.

The scheme of training and education of the co-operative staff and members of primary societies which is financed out of the Government of India grant, practically came into force during the year. According to it, the Educational Inspector and his three Assistants during the first half of the year, conducted at Nagpur, 6 training classes for (i) Circle Auditors, Valuers of land mortgage banks and Chief Group Officers, (ii) Society Auditors, (iii) Group Officers, (iv) Assistant Group Officers, (v) Managers and (vi) Accountants, for periods varying from one to three months. Two classes were held simultaneously during this period. At these classes 163 officials including 17 private candidates, were trained of whom 120



employees and 6 candidates came out successful at the examination held after each class.

In the latter half of the year, 50 training classes were organized by the Educational staff with the help of the Divisional Co-operative Institutes at which 2,695 members and office-bearers of rural societies including 1,072 literate persons were trained. Each class lasted for about eight days and instruction was given on co-operative principles and the working of primary societies. Literate members were taught how to write accounts, minute books and loan applications and how to calculate interest. A test was held, written for literate and oral for illiterate persons. Successful members numbered 1,578 of whom 476 were literate. At least one class was organized in each bank excepting the Bhandara central bank. The Bilaspur bank arranged as many as five classes, Piparia four and Raipur three. The members attending the training classes from villages other than those where they are held are paid, from the Government of India grant, out-of-pocket expenses and conveyance charges up to a maximum of Rs. 3 per head. A sum of Rs. 3,680-11-0 was disbursed by the divisional institutes to which a sum of Rs. 1,952 was reimbursed during the year and they will draw the balance shortly. The institutes have been advised to see that the services of the trained literate members are utilized in the writing of account books, particularly the minute books and the loan applications, with the help of the field staff, if necessary. The programme of intensive training and education which is to be continued for four years more, is calculated to arouse a sense of responsibility in the members of societies and equip them with the knowledge which may be helpful in managing their affairs without external aid.

Besides the propaganda made through rallies at some of which magic lantern shows were also arranged, the Educational Inspector delivered lectures to the students of the normal schools at Seoni, Bilaspur, Amraoti and Nagpur, in order to enable them to convey co-operative ideas to masses in the countryside.

13. **General position.**—For the first time since the commencement of the economic depression, with which coincided the misfortune of the people a series of lean harvests, the year under review was favourable, agriculturally, economically as well as politically. Berar gathered a crop the like of which was not witnessed for many a year. Prices of cotton, the principal money making crop

in the province, ruled relatively high. The biggest political party in the country was slowly and steadily veering round to constitutional government. All this happy combination of stars was reflected in the state of the co-operative movement. There was a noticeable improvement all round, and if it failed to come up to the expectations, it was so because it had to emerge from a long, continuous and unprecedented depression. The increasing demand for new societies of all kinds despite accentuation of coercion in older societies was a re-assuring confirmation of the intrinsic value of co-operative credit in rural economy. The success of the campaign against uneconomically high rates of interest on deposits was yet another pointer of the confidence of the public in the movement.

Although the financial position of the movement, taken as a whole, is quite sound, it cannot be said to be in a healthy state of existence, except in the three district banks of the old Chhattisgarh division and to a less extent in the banks of Brahmपुरi, Bhandara, Wardha, Harda, Khandwa and Narsinghpur. Elsewhere it has generally ceased to be a live agency of rural credit. An exception to the statement must be made in the case of new societies for short-term or crop loan organized during the year, particularly in Berar. Recoveries and advances both showed a slight improvement over the previous year, still the problem of recoveries continues to be the most formidable one for most of the central banks. Cash advances are very meagre compared to the estimated needs of members of such societies, let alone all the rural population.

The banks in Berar have added substantially to their landed property and thus a large part of their assets continues to be locked up in land. To a lesser extent this holds good also in the case of the Jubbulpore circle. The policy of the department has been consistently to discourage the acquisition of landed property and banks are fully aware that management of landed property yields practically no return. The purchase of lands of members, especially in Berar, remains the only possible way of effecting recoveries. While banks pay on an average 3 per cent on their borrowed capital, they get not even 1 per cent on the capital locked up in land and the result is the ever increasing deficits in the budgets of those banks which have amassed large blocks of land such as

Akola, Khamgaon, Amraoti and Malkapur. A reference was made in the last year's report to a scheme to be devised for spreading outstanding arrears over a number of years and for restoration of lands to *ex*-owners by having recourse to long-term capital to meet outside liabilities punctually. The scheme was worked out in detail and approval of Government obtained thereto and it has now been decided to apply it in the first instance to the Yeotmal central bank. It would be rash to predict what the ultimate outcome of the experiment would be; but in case it achieves even a fair measure of success, it will be applied to the other banks in Berar in the hope that it will contribute to the solution of what perhaps is the most pressing and distressing problem in Berar and what really constitutes the greatest handicap in the revival of the movement in that part of the province.

The land mortgage movement continued to expand, though somewhat slower than what was expected. If all goes well, it should be possible to have land mortgage banks serving the whole of the province by 1939. The demand for them exists everywhere, but progress has to be determined by the funds available. Working in close co-operation with each other, land mortgage banks and central banks should be able to meet the greater part of the demand of the agriculturists of the province for both long and short-term capital. Several central banks have taken advantage of the land mortgage banks by transferring to them some of their big borrowers. The land mortgage banks and the debt conciliation boards together have relieved the indebtedness of the agriculturists to the extent of a little over five and a half crores.

The department continued to impress on all the banks the need of pursuing the big borrowers. In the garb of leaders, most of these people have proved to be pests of the movement and have done more than any other factor to bring the movement into disrepute, to expropriate more honest and less sophisticated fellow members and to defeat the just claims of societies and banks by all kinds of fraudulent and unscrupulous transactions. The attitude of softness evinced by some banks, notably Morsi, towards such people is in-explicable. So long as these borrowers have not been eliminated there can be no scope for fresh healthy financing in the old societies and this is partly the reason why cash advances are not so encouraging as one would expect and wish them to be in these days of restricted moneylending.

Debt conciliation boards continue to operate over a large part of the province. Most central banks have by now overcome their first reaction to the debt conciliation movement which they at first thought might tell seriously on their financial position. These fears have proved to be unfounded as the majority of members whose debts have been conciliated have paid off the instalments fixed as they fell due. What was once frozen overdues has now, thanks to the debt conciliation boards, begun to move in a liquid form slowly but surely. The Piparia bank actually asked for an extension of time fixed for the Sohagpur debt conciliation board to receive applications. The policy of the department which from the beginning has been to co-operate with the debt conciliation boards with due regard to the financial stability of co-operative banks thus stands vindicated.

The banks at Mandla, Amraoti and Malkapur continued under the management of the Provincial Bank. The experiment has more than justified itself in the case of the Mandla bank. The most that can be said about the Berar banks is that deterioration has been checked. Even the Provincial Bank management cannot achieve the impossibility or convert a *minus* into a *plus* bank, unless the central bank is assimilated into the Provincial Bank and is made only a branch of it. The Khamgaon bank is experiencing difficulties and may have to be taken over by the Provincial Bank.

The temporary schemes of relief described in the report of the last three years continue to be in force. Besides, central banks have been advised to give up the system of capitalization of interest, in order that members may not be overburdened with interest charges and that overdues may not increase to an irrecoverable extent.

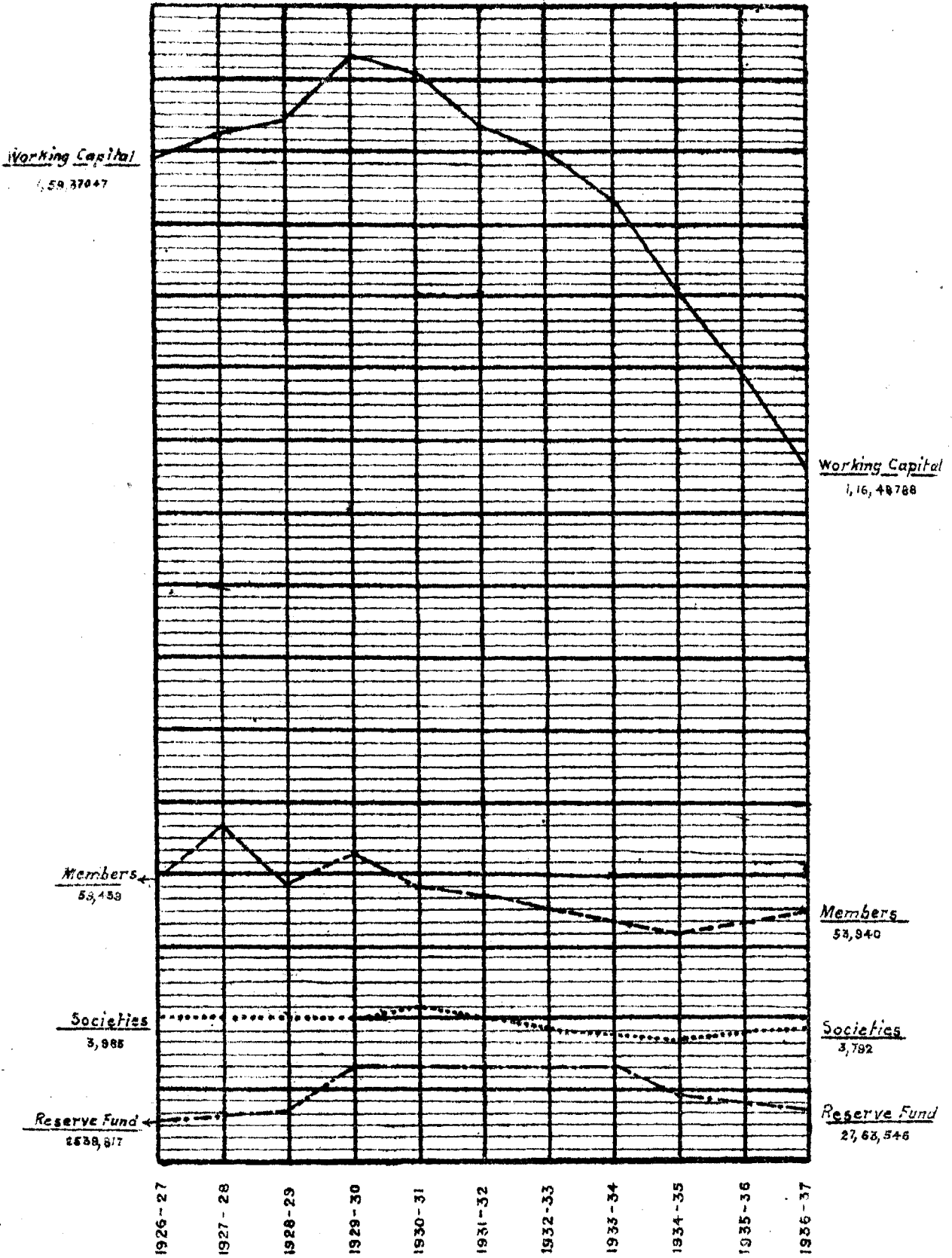
The recital of the year's efforts will not be complete without a reference to the persistent propaganda carried on with the help of the Government of India's grant and otherwise to spread the message of co-operation in the countryside. As it is now increasingly realized that co-operative credit alone will not solve the rural problem, the department has spared no efforts in impressing upon all workers and institutions the necessity for resorting to new forms of co-operation like better living, better farming and general purposes societies, purchase and sale societies for grain, seed unions, cattle-breeding associations, etc., in the absence of which no real improvement in the living conditions of the masses can be expected.



# PROGRESS OF AGRICULTURAL SOCIETIES

IN C.P. AND BERAR

1926-27 TO 1936-37.



Scale {

- 1 Inch = 2,000 Societies
- 1 --- = 20,000 Members
- 1 --- = 20 Lakhs R.F.
- 1 --- = 20 " Working Capital

### III.—THE WORKING OF AGRICULTURAL CREDIT SOCIETIES WITH UNLIMITED LIABILITY

14. **Number of societies.**—The total number of primary credit societies with unlimited liability increased by 123 to 3,708, of which 3,126 were in the Central Provinces and 582 in Berar. The increase was shared by all the banks of the third circle except Wardha, by Saugor and Damoh in the first circle, by Chhindwara and Nimar in the fourth circle and by Ellichpur, Morsi, Yeotmal, Akola, Khamgaon and Malkapur in Berar. The number remained the same as at the end of the last year in five banks at Sihora, Murwara, Mandla, Pusad and Darwah, while in the remaining 12 banks the number decreased. One hundred and ninety-seven [156] new societies were registered of which 114 were in the Central Provinces and 83 in Berar. Sixty one societies were registered in Chhattisgarh which continued to give a lead to other banks in the Province. Next come Chhindwara and Nimar which have contributed 11 societies each. In Berar, Khamgaon, Akola, Malkapur and Ellichpur led with 20, 19, 14 and 13 societies, respectively. Seventy-four [83] societies were cancelled, 40 in the Central Provinces and 34 in Berar. The number of societies cancelled in Central Provinces was not appreciable in any of the 17 banks sharing this cancellation, the highest number being five in Bilaspur. In Berar, Akola heads the list with 11 societies.

The new societies are mainly for short-term or crop-loan credit and much enquiry and scrutiny is bestowed before a proposal is accepted. In some banks organizers worked for the whole year and yet none of the proposals submitted by them was found to be worthy of registration. This caution is dictated by the sad experience of the past.

15. **Working capital and membership.**—The working capital of societies in the province excluding those under liquidation decreased from Rs. 1,24,59,872 to Rs. 1,08,26,940; in the Central Provinces it fell from Rs. 58,95,076 to Rs. 52,67,135 and in Berar from Rs. 65,64,796 to Rs. 55,59,805. The loans due by members also fell from Rs. 1,00,98,019 to Rs. 83,27,893 (from Rs. 46,73,716 to Rs. 39,55,477 in the Central Provinces

and from Rs. 54,24,303 to Rs. 43,72,416 in Berar). The fall is partly a result of the liquidation of 38 societies with outstandings of Rs. 1,03,248 in the Central Provinces and 30 societies with outstandings of Rs. 3,50,633 in Berar and partly of the separation of unrealized interest so long mixed up in the principal under the old capitalization system. The total cash recoveries of central bank loans due from societies (including those under liquidation) fell from Rs. 6,83,130 to Rs. 6,71,999 in the Central Provinces while they increased from Rs. 1,23,545 to Rs. 3,29,160 in Berar. Similarly cash recoveries from members of working societies decreased from Rs. 8,41,577 to Rs. 8,19,442 in the Central Provinces, while they have gone up in Berar from Rs. 2,66,300 to Rs. 4,38,278. The sudden and large rise in cash recoveries in Berar is a welcome feature of the year and is but a reflection of the temporary prosperity seen by the Berari for the first time since the beginning of the depression.

The membership of societies other than those under liquidation increased from 41,842 and 6,036 to 42,151 and 6,218 in the Central Provinces and Berar, respectively. For the province as a whole the number has gone up from 47,878 to 48,369. The average number of members per society was 13 as in the last year, the average being 13.5 in the Central Provinces and 10.7 in Berar. This average is rather low and there is scope for the enlargement of societies, especially in Chhattisgarh where they are doing well and the people are well versed in co-operative principles. The aim of every society should be to bring within its fold every cultivator, and indeed every resident, consistent with safety of the society and ease of supervision.

**16. Loans and purposes of loans.**—The average loan per member, excluding members of societies under liquidation decreased from Rs. 211 to Rs. 172 in the province as a whole, the average in the Central Provinces being Rs. 94 [Rs. 111.5] and in Berar Rs. 703 [Rs. 900]. The total of loans advanced by societies to members increased from Rs. 16,73,307 to Rs. 17,20,905. Cash advances also increased from Rs. 6,72,433 to Rs. 7,53,173, being Rs. 6,26,265 [Rs. 5,76,859] in the Central Provinces and Rs. 1,26,908 [Rs. 95,574] in Berar, respectively. Cash loans were thus 43.7 per cent of the total advances the percentages in the Central Provinces and Berar being 52.3 and 24.2 [54.1 and 15.7], respectively. The pur-



poses for which the loans were advanced are shown below :—

		Central	Berar	Total
		provinces		
		Rs.	Rs.	Rs.
1. For purchase of seed	...	23,019	7,479	30,498
2. For cultivation expenses	...	63,547	81,866	1,45,413
3. For purchase of bullocks and plough cattle.		3,67,660	5,053	3,72,713
4. For agricultural implements	...	1,108	35	1,143
5. For purchase of land	...	19,415	1,055	11,470
6. For improvement of land	...	28,210	480	28,690
7. For house building and repairs	...	9,471	185	9,655
8. For payment of rent and revenue	...	30,496	9,228	39,724
9. For repayment of old debts	...	7,352	4,000	11,352
10. For marriage and other ceremonies	...	10,159	165	10,324
11. For other purposes	...	74,828	17,362	92,190
Total	...	6,26,265	1,26,508	7,53,173

In the Central Provinces the largest amount was advanced for purchase of cattle of which 74 per cent was absorbed in Chhattisgarh and about 17 per cent was shared by Bhandara and Brahmपुरi and remaining 9 per cent being utilized by other banks.

17. Big borrowers.—Big borrowers or members owing more than Rs. 1,000 each were 247 or .59 [.86] per cent of the total number of members in the Central Provinces and they absorbed Rs. 5,00,537 out of Rs. 39,55,477 or 12.6 [15.4] per cent of the total loans; while in Berar they were 1,002 or 16 [20.9] per cent of the total number of members, and were responsible for loans, amounting to Rs. 33,76,108 out of Rs. 43,72,416 or 77.2 [78.5] per cent of the total outstanding against members. There were 146 [204] members owing more than Rs. 5,000 each, responsible for a sum of Rs. 15,99,566. Amraoti, Morsi, Yeotmal and Akola have 38, 36, 26 and 23 such members, respectively. The problem of big borrowers is most acute in Berar, where the co-operative movement is most depressed. There is no big borrower at all in any of the Chhattisgarh banks, where the movement is at its best. These two facts placed in juxtaposition are sufficient to enable a doctor to place his

finger on the cause of the disease which has beset the movement and from which despite all efforts it finds it difficult to be free. The department has, therefore, been constantly pressing on banks to pursue these pests of the movement (many of them occupied positions of responsibility in the movement and some do even now) ruthlessly and relentlessly, to give them no quarter, to show them no consideration. I regret to note that some sympathy is still shown to them in some banks such as Morsi, Wardha and Sihora.

18. **Repayments and overdues.**—The proportion of overdues in the loans of societies (excluding those under liquidation) against members has come down to 69.9 [77.4] per cent in the Central Provinces while it has gone up to 92.2 [89.7] in Berar. Including renewals the percentage would be 75 [78.5] and 92.2 [90.0] in the Central Provinces and Berar, respectively. The renewals granted in Berar were nominal for Rs. 2,315 only. Out of 3,708 societies 530 in the Central Provinces and 206 in Berar failed to pay even the interest during the year (677 and 190, respectively). The number of societies which took no loans from central banks was 1,616 [1,582] in the Central Provinces and 136 [220] in Berar.

19. **Classification of societies.**—The result of the audit classification for 1936-37 is compared below with that for 1935-36:—

	1935-36			1936-37		
	Central Provinces	Berar	Total	Central provinces	Berar	Total
A. Very good	...	2	2	2	2	4
B. Good	94	36	130	93	34	127
C. Fair	1,965	214	2,179	1,967	265	2,232
D. Bad and unco-operative.	792	174	966	766	156	922
E. Financially dangerous.	141	54	195	158	63	221
Total	2,992	480	3,472	2,986	520	3,506

In the Central Provinces two societies have been promoted from B to A class. In Berar there has been a slight decrease in B class societies. The number of C class societies shows some increase in the Central Provinces but this increase is marked in Berar. D class societies show decrease in the Central Provinces and Berar both. As against this the number of E class societies has increased. The position both in the Central Provinces and Berar can be said to have slightly improved. Complaints have been received that the classification of A and

B class societies is rather strict; *e.g.*, such first class banks as Raipur and Bilaspur are allotted B class. The standard of classification is being re-examined and instructions will be issued shortly that will redress this grievance.

20. **Re-organization of societies.**—The work of re-organization of societies was taken in hand by most of the central banks and in all 614 societies were selected for the purpose in the province. Out of them only 44 societies were finally organized (43 in the Central Provinces and 1 in Berar), 41 rejected and the rest kept for further trial. Though the central banks were repeatedly exhorted to devote more attention to this work, the year shows no progress; on the contrary less work has been done than during last year. Some of the central banks have stated that on account of the operations of debt conciliation boards and general economic depression they could do very little. Dread of joint liability owing to the existence of big borrowers is yet another obstacle to the growth of societies by the admission of needy, and still solvent, members. Further, the field staff was pre-occupied with recoveries. On the whole, only a few central banks in the province have done real work in this direction, while the rest have not paid proper attention to this matter on which the well-being and progress of the movement so much depend.

21. **Rates of interest.**—The rates of interest charged by banks to societies varied between  $6\frac{1}{4}$  to 10 per cent. Five banks in the Central Provinces and six banks in Berar charged differential rates of interest for reasons explained in the last report.

The policy of allowing the interest on reserve funds to be used for reducing the rates of interest was continued with the effect that in societies the rates of interest to members ranged between 4 and 11. Nearly three-fourths of members pay not more than  $8\frac{1}{2}$  per cent on their loans and attempts are being made to bring down the lending rate to this figure in the case of the remaining members. Now that capital is cheap and rates of interest on loans in private moneylending have gone down, there is no justification for such high lending rates as 10, 11 and 12 per cent. Central banks have been advised to curtail their expenses and to reduce the margin between borrowing and lending so that benefit of cheap capital is passed on to the agriculturists, cheap credit being the chief, if not the sole, object of these institutions.

22. Deposits in societies.—Deposits in societies from members and non-members further decreased from Rs. 3,83,597 to Rs. 3,16,179 in the province as a whole. In the Central Provinces the deposits of members increased from Rs. 78,126 to Rs. 86,076 while those of non-members decreased from Rs. 16,037 to Rs. 10,442. In Berar there was a further decrease in members' deposits from Rs. 42,627 to Rs. 30,245 and in non-members' deposits from Rs. 2,46,807 to Rs. 1,89,416.

#### IV.—LAND MORTGAGE BANKS

23. As indicated in the last year's annual report two more land mortgage banks were established at Wardha and Bilaspur towards the close of the year. The number of land mortgage banks in the province thus increased from 10 to 12 during the year. After the close of the year it was decided to establish four land mortgage banks at Chhindwara, Khandwa, Akola and Khamgaon before the 1st October 1937 and accordingly two land mortgage banks at Chhindwara and Khandwa have been registered and action has been also taken to register the other two banks. All the banks were working during the year except Wardha and Bilaspur. The following figures will show the working of the banks during the year:—

1. Number of members	...	2,234	[765]
2. Number of applications	..	500	[1,000]
3. Total amount of loan applied for		Rs. 6,01,570	Rs. [10,81,428]
4. Number of applications rejected.		613	[279]
5. Number of applications sanctioned.		286	[129]
6. Number of applications pending.		281	[592]
7. Loans advanced	...	Rs. 2,64,385	Rs. [1,06,982]
8. Loans recovered	...	Rs. 17,727	Rs. [4,113]
9. Loans outstanding on the 30th June 1937.		Rs. 3,85,753	Rs. [1,33,995]
10. Overdues	...	Rs. 2,076	[Nil]
11. Cost of management	...	Rs. 7,773	Rs. [5,925]
12. Share capital	...	Rs. 59,274	Rs. [24,321]
13. Deposits (temporarily held at the end of the year from individuals).		Rs. 30,054	Rs. [17,315]
14. Provincial Bank loan outstanding	out-	Rs. 3,52,573	Rs. [1,32,101]
15. Working capital	...	Rs. 4,42,092	Rs. [1,74,543]

The volume of work done during the year shows some improvement over that of the last year. The Narsinghpur, Mehkar and Yeotmal land mortgage banks which advanced loans amounting to Rs. 63,714, Rs. 54,926 and Rs. 35,293, respectively, may be considered to have done fairly well. The advances in Nagpur, Sihora, Raipur, Amraoti and Basim ranged between Rs. 17,000 and Rs. 21,000 while those in Seoni and Bhandara amounted to Rs. 11,000 and Rs. 1,205, respectively. There has been paucity of loan applications in Seoni and those which have been received have not been very strong. No special reasons have been given for this state of things. However, debts were conciliated in Seoni and Lakhnadon tahsils before the land mortgage bank was established and it appears that only those debtors who have not paid the instalments fixed by the board applied to the land mortgage bank for loans. Again, occupancy tenants do not seem to be inclined to encumber their lands and the rule requiring the discharge of all the liabilities including suspended rent and taccavi loans prevented certain borrowers from applying to the land mortgage banks as they expected that the amounts which have been outstanding for a long time were likely to be written off. The question about the payment of rent and taccavi was considered by the Federation Congress held at Jubbulpore this year and it was resolved that the loans for payment of all the liabilities should be sanctioned but the amounts required to pay off rent and taccavi loans should be advanced as they become due. In Bhandara the debt conciliation board followed on the heels of the land mortgage bank with the result that the borrowers preferred to get their debts conciliated by the board and withdrew their applications. The board has now recently sent some deserving cases for being financed by the land mortgage bank and as the board's cases are decided some more business may be expected to come in.

During the year only 500 new applications were received by all the 10 banks and as some banks did not get sufficient work it was considered desirable to allow them to extend their area of operations and accordingly Sihora, Nagpur, Bhandara, Yeotmal and Amraoti banks have extended their areas to the whole of their respective districts and Raipur which is at present for the Raipur, Dhamtari and Baloda Bazar tahsils intends to extend its operations to Mahasamund tahsil also. Basim, Seoni, Narsinghpur and Mehkar are banks for their respective sub-divisions.

The recoveries on account of principal amounted to Rs. 17,725 and an amount of Rs. 2,076 remained overdue in seven banks on the 30th June 1937. The overdues were considerable in Mehkar and Amraoti, being Rs. 909 and Rs. 806, respectively, while there were no overdues in Raipur, Bhandara and Yeotmal. The banks have been advised not to tolerate overdues and to proceed against the defaulters at once. About 50 per cent of the overdues have been recovered since the close of the year. Sihora bank has deferred action against the defaulters on the ground that their crops were damaged by rust. The bank was asked to ascertain whether rent or land revenue due by the defaulters was suspended, and if so to what extent. It was also pointed out that unless rent or land revenue was suspended, there was no justification for postponement of land mortgage banks dues. The reference is pending with the bank for some months.

During the year five banks worked at a profit, while Nagpur, Seoni, Sihora, Bhandara and Basim worked at a loss, their total loss being Rs. 1,561. The Sihora bank alone is responsible for a loss of Rs. 615 while the loss at Basim and Nagpur is very small. It is expected that all these banks will be self-supporting within the next two years. Out of the five banks which worked at a profit during the year, only two could make up the previous losses. The total loss which these banks have to make up is Rs. 4,803.

Pending the establishment of a central land mortgage bank, the Provincial Bank continues to perform its functions. Debentures of one lakh at  $3\frac{3}{4}$  per cent were floated in June 1936. No debentures were floated in the year 1936-37. But the second series of debentures at  $3\frac{1}{2}$  per cent for an amount of rupees three lakhs has been floated on the 1st October 1937.

Considering the total indebtedness of agriculturists estimated at 36 crores for the province, the progress of these banks may appear slow and disappointing, but it must be remembered that these banks cater only for those debtors whose liabilities do not exceed one-half of the value of their assets. The number of such persons is small. Besides, debts have been scaled down by crores by debt conciliation boards and to that extent the scope of land mortgage banks has been restricted. Taking banks and boards together, it can be fairly said that the province has set up a record in relief of agricultural indebtedness which will be difficult to beat. We are not content with

what we have been able to achieve so far and the whole position is being reviewed in order that delays should be curtailed, proper knowledge about banks is propagated and cases where help can be rendered are attracted to the mortgage banks.

#### V.—CENTRAL BANKS

24. Number of central banks.—The number of central banks continued to be 35.

25. Capital and resources, loan outstanding and bad and doubtful debts.—The total working capital of central banks increased to Rs. 2,45,46,639 [Rs. 2,45,12,375]. The share capital declined further to Rs. 15,97,438 [Rs. 16,26,818]; it fell from Rs. 10,23,942 to Rs. 10,12,112 in the Central Provinces and from Rs. 6,02,876 to Rs. 5,85,326 in Berar. The reduction is mostly due to the redemption of shares held by members of societies brought under liquidation. Reserve and other funds, however, further increased to Rs. 51,46,315 [Rs. 50,71,194], out of which a sum of Rs. 31,61,890 was earmarked as provision for bad and doubtful debts. The total loans outstanding against affiliated societies decreased to Rs. 1,30,14,480 [Rs. 1,45,50,175]. It decreased to Rs. 48,32,770 [Rs. 55,33,532] in the Central Provinces and to Rs. 81,81,710 [Rs. 90,16,643] in Berar. The marked decrease during the year is due to the separation of the unrealized interest from principal on account of the discontinuance of the system of capitalization of interest. Bad debts amounted to Rs. 11,50,494 and Rs. 30,71,393 and doubtful debts Rs. 3,63,838 and Rs. 18,128 in the Central Provinces and Berar, respectively. Bad debts decreased in the Central Provinces and Berar by Rs. 28,585 and Rs. 54,532, respectively. Doubtful debts also decreased in the Central Provinces by Rs. 1,05,557 while they increased in Berar by Rs. 7,703. The percentage of bad debts to the total loan outstanding works out in the Central Provinces at 23.8 and in Berar at 37.5 per cent while that of doubtful debts to 7.5 and .2, respectively. In Chhattisgarh there are practically no bad debts.

26. Deposits.—Deposits from individuals increased to Rs. 1,22,90,072 [Rs. 1,21,74,441] for the province as a whole. In the Central Provinces they increased to Rs. 50,70,766 [Rs. 50,56,828] and in Berar to Rs. 72,19,306 [Rs. 71,17,613]. Withdrawals in cash totalled Rs. 16,58,929 in the Central Provinces and

Rs. 36,99,058 in Berar. Fresh deposits received in cash amounted to Rs. 19,45,454 in the Central Provinces and Rs. 38,10,867 in Berar. The increase in deposits, especially in Berar, in spite of reduction in rates of interest, is reassuring and demonstrates that co-operative banks are still the most profitable places for investment of surplus funds. The banks which contributed to the increase were Ellichpur, Morsi, Daryapur, Yeotmal and Akola.

Out of 35 central banks in the province, the fluid resource maintained by the 24 banks exceeded the percentage prescribed for the fixed and savings bank deposits, while that of 11 [9] central banks fell short of the standard. At the close of the year the amount repayable during the next 12 months was Rs. 43,74,086. Out of this a sum of Rs. 3,74,336 was in deposit with the Provincial Bank which maintains adequate cover for it. The cover required for the balance of Rs. 39,99,750 was Rs. 23,16,439. Against this the total of the fluid resource of all the central banks amounted to Rs. 23,80,811, out of which a sum of Rs. 9,66,675 was invested in Government securities or held in cash or cash credits granted by the Provincial Bank and joint stock banks. The position of the fluid resource of the central banks taken as a whole is satisfactory. The banks which have been unable to maintain adequate cover have been asked to make vigorous efforts to build up adequate cash resources, otherwise than by attracting fresh deposits at uneconomic rates.

27. **Cost and profits.**—The cost of management increased from Rs. 1,07,255 to Rs. 1,08,070 in the Central Provinces while it fell from Rs. 78,935 to Rs. 76,011 in Berar. For the province as a whole the cost has come down from Rs. 1,86,190 to Rs. 1,84,081. The net profits during the year increased to Rs. 2,59,475 [Rs. 90,898]. Many banks maintain staff disproportionate to their business and turnover, necessitating a wider margin between borrowing and lending rates. Retrenchment in staff and scales of pay is indicated. The unrealized and overdue interest amounted to Rs. 25,74,886 [Rs. 26,18,439]. Twenty-three central banks [23] were not able to distribute any dividend. Ten banks in the Central Provinces paid dividends at rates varying from  $2\frac{1}{2}$  to  $6\frac{1}{2}$  per cent and in Berar, Darwah and Yeotmal paid dividend at  $2\frac{1}{2}$  and 3 per cent, respectively.

28. **Working of central banks.**—In spite of the favourable economic conditions of the year, central banks



could not make much headway in the solution of their main problems, such as, ensuring a steady flow of repayments in respect of the heavy and frozen overdues, expanding both credit and non-credit wings of the movement, and avoiding purchase of lands of members. In first circle, the affairs of the Jubbulpore bank continue to cause anxiety. The future of this bank will not be very hopeful unless the management realizes the gravity of the situation and takes adequate action as recommended by departmental officers. The recoveries in the Sihora bank have been going down from year to year and sooner or later the management will have to be assumed by the Provincial Bank. The Murwara bank had pretty smooth sailing during the year, but dissensions have once again cropped up between the president and vice-president. The banks at Damoh and Saugor would do well to pay greater attention to the inspection notes of departmental officers. As for the Mandla bank it may be now safely considered to be out of the wood. Attempts are made within the area of this bank to organize societies in aboriginal tracts. Due to damage to crops, the Seoni bank has not been able to maintain its record.

In the third circle, the Raipur, Bilaspur and Drug banks continued to be the brightest spots in the movement. The same thing to a somewhat lesser degree may be said about the Brahmapuri bank. In Balaghat the absence of local enthusiasm on the part of influential citizens and bitter experience of the past account for the poor progress made. The affairs of the Wardha, Warora and Nagpur banks cannot be considered satisfactory. In the Wardha bank the presence of a majority of rural directors comes in the way of effective action against big borrowers.

In the fourth circle, the pride of place must go to the Nimar bank as usual. The financial position of the Harda and Betul banks continues to be satisfactory. On the other hand the position of the Narsinghpur and Chhindwara banks cannot be considered to be particularly sound. The Hoshangabad bank continued to be efficiently managed by Rai Bahadur Sitacharan Dubey. The management of the Piparia bank changed hands during the year except for Mr. P. S. Tiwari. Cash recoveries increased and the deficit in the fluid resource was made good. The bank is unfortunate in that all its office-bearers reside elsewhere than in Piparia.

In Berar, as a rule, the banks are faced with the problem of big borrowers and land management. The big

borrowers at Morsi continue to wield considerable influence and many of them have not yet executed mortgages. At Daryapur party factions are coming in the way of the proper working of the bank. The Akola bank continues to be the largest land owner, possessing 18,941 acres out of a total of 47,192 acres belonging to all the banks in Berar. The Amraoti and Malkapur banks continued to be in charge of special committees of management. The confidence of the depositors has been restored to some extent and there has also been some improvement in recoveries and land management. The only hope of the Berar banks lies in appreciation of land values prospects of which are however particularly gloomy at the moment of writing.

## VI.—PROVINCIAL BANK

29.—Working of the year.—The Provincial Bank continues to be well managed under the able guidance of Sir M. G. Deshpande, K.B.E. The title of K. B. E. was conferred on him during the year as a mark of recognition of his devoted services to the cause of co-operation. The working capital of the Bank increased to Rs. 1,52,33,198 [Rs. 1,44,15,386]. The net profit decreased to Rs. 45,790 [Rs. 50,972]. The amount due from central banks and societies increased from Rs. 32,99,801 to Rs. 33,82,391, of which Rs. 10,50,073 [Rs. 7,79,616] were due from the Central Provinces and Rs. 23,32,319 [Rs. 25,20,185] from the Berar banks and societies. Against the ordinary loans and cash credits due by banks and societies in the Central Provinces the Bank holds security of Government paper of the face value of Rs. 30,000 and fixed deposit receipts of Rs. 15,000, while those owed by the Berar banks have been secured by mortgages of the aggregate area of 26,416 acres and 21 gunthas, Government paper of the face value of Rs. 2,02,000, fixed deposit receipts of Rs. 12,500 and mortgages of house property of Rs. 3,61,184. Besides this Rs. 30,676 due by the Amraoti central bank are secured by the reserve funds of its societies in liquidation or about to be liquidated. The Bank continued to follow a cautious policy in granting loans to central banks. Except in the case of loans advanced for financing the crop loan societies recently registered, no loans are usually advanced without the security of mortgages of central banks' own lands or assignments of lands belonging to members of societies by the latter made in favour of central banks and Government paper.

Rates on fixed deposits varied from 2 to  $3\frac{1}{2}$  per cent while the rate on savings bank account was reduced from 2 per cent to  $1\frac{1}{2}$  per cent from the 1st July 1936. Except in the case of deposits of central banks there was all round increase in the deposits of all kinds. The deposit from central banks decreased to Rs. 11,01,593 [Rs. 11,75,325] while those from individuals rose to Rs. 40,37,953 [Rs. 36,31,680]. The savings bank and current deposits increased to Rs. 22,92,757 [Rs. 22,25,504]. The Registrar's deposits also increased to Rs. 55,99,476 [Rs. 54,31,180]. The recoveries of loans during the year increased to Rs. 13,92,546 [Rs. 13,38,848], while cash advances decreased to Rs. 13,21,154 [Rs. 15,32,316]. Overdues from the central banks and societies, however, increased to Rs. 16,45,888 [Rs. 14,85,564].

30. Surplus funds, share capital and reserve fund, etc.—The Bank continued to have surpluses which ranged from Rs. 8,00,000 to Rs. 27,00,000 during the year. In the absence of more profitable channels of investment, these were invested partly in Government and other gilt-edged securities and partly in short-term deposits with commercial and co-operative banks outside the province.

The share capital and reserve fund of the Bank amount to Rs. 5,23,870 and Rs. 4,05,000 [Rs. 5,36,060] and [Rs. 2,45,000], respectively. The provision for bad and doubtful debts has been further augmented by Rs. 50,000 so as to raise it to Rs. 5,50,000 [Rs. 5,00,000] which represents about one-third of the overdues. Its other funds amount to Rs. 1,53,620 [Rs. 3,52,283] the reason for the decrease being transfer of a portion to reserve fund. Against these, the outside liabilities of the Bank amount to Rs. 1,36,07,909 [Rs. 1,28,42,653]. Thus the Bank's own working capital works out at 11.5 [12] per cent of the borrowed capital. Further the market value of the Bank's investments in Government paper is considerably more than what appears in its balance sheet. The hidden reserve is thus available to fall back upon. The Bank declared a dividend of 5 per cent [ $4\frac{1}{2}$  per cent]. The financial position of the Bank continues to be strong and is indeed a source of inspiration to the entire movement.

A notable event of the year was the Bank's Silver Jubilee which was inaugurated by His Excellency the Governor on the 13th March 1937. In the course of his speech, His Excellency complimented the Bank in the following terms. "The fact that the Bank has withstood the economic storm which swept the world and has come

out of it unimpaired is a gratifying proof of its inherent strength." Thanks are due to Dewan Bahadur K. V. Brahma and Rao Bahadur H. S. Munje for placing their wide knowledge of the co-operative movement and law at the disposal of the Bank.

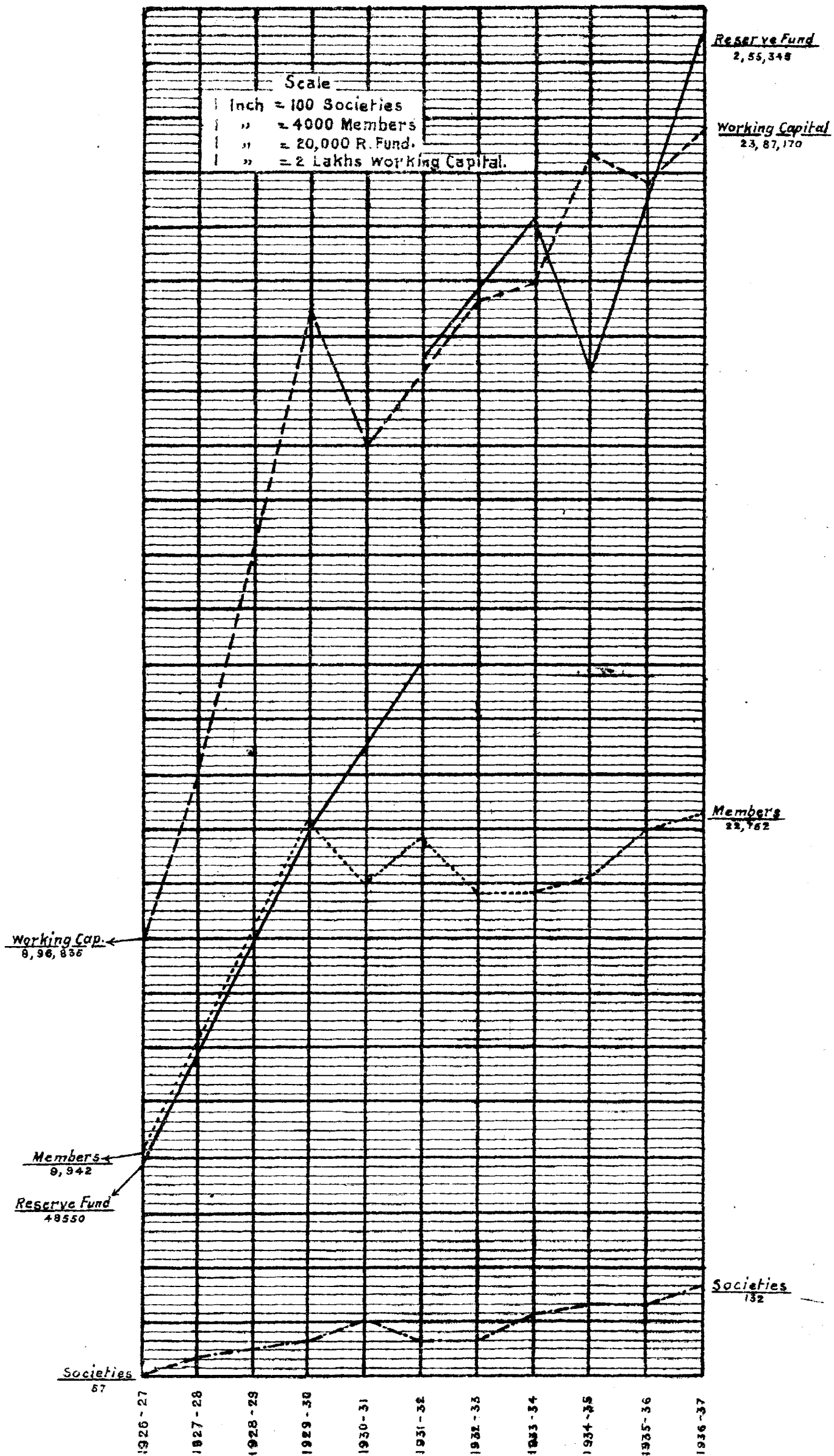
VII.—(i) THE CENTRAL PROVINCES AND BERAR CO-OPERATIVE FEDERATION, AND (ii) THE CO-OPERATIVE INSTITUTES, NORTHERN, NERBUDDA, CHHATTISGARH, NAGPUR AND BERAR DIVISIONS

31. **The Federation.**—No session of the Federation Congress was held during the year under report. It was, however, convened after the close of the year, the resolutions adopted by which will be dealt with in the next report. There was complete understanding and co-operation between Pandit K. P. Pande, Governor of the Federation, and the department and I am personally grateful to him for his sound advice, sincerely and ungrudgingly given.

32. **The institutes.**—The province continues to be divided into five institutes and all the banks except Balaghat and Wardha have been affiliated to them. Since the close of the year the Balaghat district bank has also got itself affiliated to the Chhattisgarh Division Co-operative Institute. The Wardha central bank has yet to decide finally about joining the Nagpur Institute. During the year the Nerbudda Division Co-operative Institute had appointed four sub-committees for (i) examining the accounting system of the institute's head office, (ii) fixing the initial pay of group officers and assistant group officers, (iii) looking into the possibility of abolishing the *per capita* subscription, and (iv) revising the byelaws of the institute in the light of the model byelaws circulated by the Department. The latter two sub-committees have submitted their reports which will be considered by the General Council of the Institute during the current year.

The Conference of office-bearers of the Berar Co-operative Institute and central banks in Berar held at Amraoti on the 18th October 1936 appointed a sub-committee to suggest a solution of the problem of overdues in Berar and restoration of lands to *ex*-owners. The sub-committee prepared a scheme which was forwarded to Government for approval. The scheme has been approved since the close of the year. The scheme is to be

IN C.P. AND BERAR FROM 1926-27 TO 1936-37.



applied only to the Yeotmal central bank in the first instance and if it is found successful there it will be applied to other banks in Berar.

Government continued to make grants to the institutes of the total amount of Rs. 24,000 as in the preceding year. All the institutes had not a little difficulty in balancing their budgets and carrying out their multifarious duties to the satisfaction of the banks and contentment of the staff. Rao Bahadur Khare, Mr. Lakhe and Mr. Kocher did not spare themselves in their conduct of the affairs of Berar, Chhattisgarh and Nerbudda Institutes.

#### VIII.—AGRICULTURAL SOCIETIES FOR PURPOSES OTHER THAN CREDIT

33. The number of such societies rose by 5 to 72. They consist of 2 landholders' associations, 45 agricultural associations, 15 seed unions and 10 adat shops. Three agricultural associations, one seed union and one adat shop were registered during the year.

The main activity of the two landholders' associations at Mehkar and Narsinghpur continues to be the advancing of loans to their members. Their working capital and reserve and other funds amounted to Rs. 1,78,810 [Rs. 1,69,676] and Rs. 17,056 [Rs. 15,987], respectively, and they made a profit of Rs. 3,471 [Rs. 3,837]. The working capital and the reserve and other funds of the agricultural associations increased to Rs. 1,68,809 and Rs. 60,589 [Rs. 1,51,551 and Rs. 56,224], respectively, their profits also increased to Rs. 9,942 [Rs. 7,283]. Their membership rose from 1,842 to 2,095.

Agricultural associations working under the general guidance of officials of the Agriculture Department are doing well; some have successfully taken to co-operative cultivation. Much of their business is confined to sale of improved machinery and pure seed.

The adat shops are not doing well, especially in Berar, for various reasons such as absence of godowns, lack of integrity on the part of members, fluctuating prices of cotton and want of standardization in the quality of produce.

#### IX.—NON-AGRICULTURAL CREDIT SOCIETIES WITH UNLIMITED LIABILITY

34. Five societies of this class were registered during the year and the total number now stands at 35 with a membership of 517 [30 and 443], respectively. The

working capital and outstanding loans declined to Rs. 46,314 and Rs. 34,834 [Rs. 48,550 and Rs. 37,050], respectively.

#### X.—NON-AGRICULTURAL SOCIETIES WITH LIMITED LIABILITY

35. Two new societies of this class (clerks' societies) were registered and one cancelled during the year. The number thus increased by one to 44 [43]. The membership also increased to 19,865 [18,821]. The working capital and loan outstanding have as well gone up to Rs. 15,25,705 and Rs. 13,08,641 [Rs. 14,21,372 and Rs. 12,28,139], respectively. They made a profit of Rs. 75,400 [Rs. 75,933]. There is considerable scope for this class of societies among all kinds of servants such as clerks, domestic servants, municipal sweepers, etc.

#### XI.—NON-AGRICULTURAL SOCIETIES FOR PURPOSES OTHER THAN CREDIT

36. The total number of such societies at the close of the year was 53 [43], 13 of which were for purchase and sale (stores), 2 dairies, 8 industrial associations, 10 housing societies, 10 thrift societies, 3 adult education societies, 4 compulsory education societies, 2 better living societies and one village development society.

The membership and the working capital of the stores decreased from 892 to 880 and from Rs. 78,075 to Rs. 75,217, respectively. The sales of goods however increased from Rs. 98,263 to Rs. 1,02,151 and profits from Rs. 3,940 to Rs. 7,869.

The Telinkheri dairy at Nagpur which is managed by the Agriculture Department is flourishing; the other was registered at Drug late during the year.

Eight industrial associations include the Central Provinces and Berar Weavers' Co-operative Society, Nagpur, for which aid from Government of India has been received for the development of the handloom industry. It had 343 [288] members and working capital (including Government loan of Rs. 24,315) of Rs. 25,750 [Rs. 14,424]. It worked at a profit of Rs. 767 [Rs. 1,101] during the year. The Nagpur Leather Works Co-operative Society with the membership and working capital of 10 and Rs. 235 worked at a loss of Rs. 114. Yeotmal Industrial Association with 78 members and the working

capital of Rs. 7,589 made a profit of Rs. 234. The association at Chhindwara registered during the year started work and made a profit of Rs. 101. The other four associations are dormant.

The number of housing societies increased by one to 10. Their membership, working capital and loans outstanding rose to 487, Rs. 6,75,806 and Rs. 5,61,582, respectively [380, Rs. 5,48,866 and Rs. 4,98,147, respectively]. The number of thrift societies increased from 8 to 10. The membership and working capital decreased from 334 to 248 and from Rs. 16,870 to Rs. 16,844, respectively. The Adult Education Society at Yeotmal with 33 members and a working capital of Rs. 822 made a profit of Rs. 74 during the year while the other two such societies in Jubbulpore district, four Compulsory Education Societies in Sohagpur tahsil, the two better living societies—one in Sohagpur tahsil and the other in Chikhli tahsil of Buldana district—and one village development society at Akola are all practically dormant. Here is practically a virgin field full of promise and free from the drawbacks which have rendered the co-operative movement so unpopular in the countryside. Popular attention has been focussed on this aspect recently by the publications of the Reserve Bank which have made a deep impression on all workers in co-operation. It is felt that notwithstanding all the difficulties and obstacles a beginning must be made with the organization of what is now called the village banks.

## XII.—RESERVE FUNDS

37. The reserve funds of societies of all kinds increased to Rs. 69,75,882 [Rs. 64,92,050]. That of the Provincial Bank amounted to Rs. 4,05,000 of the central banks Rs. 13,79,047, of the primary and other agricultural societies to Rs. 49,36,490 and of other kinds of non-agricultural societies to Rs. 2,55,345. The figures include the reserve funds of societies under liquidation which amounted to Rs. 21,72,944. Reserve funds constituted 5.6 [5.4] per cent of the working capital of central banks and 25.1 [23] per cent of primary societies.

38. Out of the total reserve fund of the movement amounting to Rs. 69,75,882, a sum of Rs. 36,60,626 is invested in Government securities and Post Office Cash Certificates. The balance of Rs. 33,15,256 is mixed up



in the working capital of banks and societies as detailed below :—

	Rs.
In Provincial Bank shares ...	4,84,980
In Central Bank shares ...	40,150
In the working capital of share societies and societies under reserve fund scheme ...	6,61,432
In Reserve Bank shares	5,600
Uninvested ...	21,23,094
Total ...	33,15,256

### XIII.—DISPUTES AND LITIGATION

39. Awards.—The number of final awards issued during the year decreased from 1,298 to 1,057. Similarly draft awards issued also decreased from 1,809 to 1,130. At the close of the year the total number of awards outstanding in the Central Provinces decreased to 4,104 [4,295], the amount involved being Rs. 16,86,899 [Rs. 29,55,399]. Out of these 371 involving Rs. 8,94,916 were against societies and 3,733 involving Rs. 7,91,983 against members. In Berar the total number of awards outstanding was 1,410 [1,464] involving Rs. 25,99,674 [Rs. 29,19,147] out of which 79 involving Rs. 9,64,336 were against societies and 1,331 involving Rs. 16,35,338 against members. Thus in the province as a whole, the awards against societies at the close of the year were 450 [580] for a total sum of Rs. 18,59,252 [Rs. 27,70,487]; and against members 5,064 [5,179] for a total sum of Rs. 24,27,321 [Rs. 31,04,059]. The total number of awards decreased from 5,759 to 5,514 and the total amount involved also decreased from Rs. 58,74,546 to Rs. 42,86,573. Narsinghpur and Piparia have struck off all awards against societies from the list as they were abortive due to the decision of the High Court in one case at Piparia that the bank cannot attach the property of individual members in execution of awards against societies. The repercussion of this decision will be felt in other areas in the ensuing years.

Certificates for recovery as arrears of land revenue of sums under award were issued in two cases against societies and in fifty-six cases against members. Orders of attachment before award were issued in seven cases against members of societies, under section 42 (a) of the Co-operative Societies Act.

40. **Liquidation.**—At the beginning of the year, the total number of societies under liquidation was 1,247, of which 842 were in the Central Provinces and 405 in Berar. The amount due from them was Rs. 55,47,793 of which Rs. 15,15,586 were due from societies in the Central Provinces and Rs. 40,32,207 from those in Berar. During the year under report, 38 [42] societies involving a sum of Rs. 93,984 [Rs. 1,83,492] were placed under liquidation in the Central Provinces and 30 [34] societies involving an amount of Rs. 2,96,230 [Rs. 6,25,853] in Berar. The liquidation proceedings of 57 [24] societies in the Central Provinces and 12 [19] societies in Berar were closed during the year. At the end of the year the total number of societies decreased by one to 1,246 and the amount outstanding against them to Rs. 54,46,974 of which 823 societies involving an amount of Rs. 13,72,034 were in the Central Provinces and 423 societies with a loan of Rs. 40,74,940 were in Berar.

41. In the Central Provinces the central banks with a large number of societies under liquidation are Balaghat with 71, Saugor with 62, Hoshangabad and Sihora with 61 each, Nagpur and Piparia with 55 each, Mandla with 48, Chhindwara with 46, Damoh with 45, Narsinghpur with 44, Seoni and Nimar with 43 each and Jubbulpore with 36. Out of Rs. 13.72 lakhs [Rs. 15.15 lakhs] of loans outstanding against societies under liquidation in the Central Provinces about Rs. 3.19 lakhs [Rs. 4.88 lakhs] is considered good, about Rs. 1.68 lakhs [Rs. 2.77 lakhs] doubtful and Rs. 8.85 lakhs [Rs. 7.5 lakhs] bad. A sum of Rs. 55,656 [Rs. 18,589] was written off during the year. In Berar the central banks with a large number of societies, under liquidation, are Khamgaon and Akola with 92 each, Amraoti with 47, Yeotmal with 39, Mehkar with 33, Malkapur with 32 and Ellichpur with 30. Out of Rs. 40.75 lakhs [Rs. 40.32 lakhs] of loans involved in liquidation in Berar about Rs. 14.16 lakhs [Rs. 17.94 lakhs] is considered good, Rs. 26.56 lakhs [Rs. 22 lakhs] considered bad and about Rs. 3,000 or .03 lakhs [Rs. 38,000] considered doubtful. A sum of Rs. 7,089 [Rs. 1,30,454] was written off during the year.

Recoveries made from societies under liquidation totalled Rs. 7,87,363 [Rs. 6,42,215] of which Rs. 2,50,639 [Rs. 96,143] were recovered in the Central Provinces and Rs. 5,36,724 [Rs. 5,46,072] in Berar. The Berar banks also acquired 7,026 acres of land valued at Rs. 3,29,952 in the course of liquidation proceedings during the year.

Many of the liquidation cases drag on indefinitely. Members have paid principal and interest at 6 per cent and yet have more shown against them than what they borrowed in the first instance. This is brought about by combination of interest and cost of coercion. Such cases sometimes make one feel that the rule of *Damdapat* should be applied to co-operative debts, but there are other weightier reasons against the suggestion. It cannot however be gainsaid that many banks are shortsighted in that they keep alive the coercive proceedings in the hope of recovering something every year and more if brighter days arrive. Nothing makes the movement more unpopular than this practice of squeezing the last drop of blood out of a member borrower.

42. Fifty-five certificates were issued for recovery of dues as arrears of land revenue under section 225 (c) of the Central Provinces Land Revenue Act, and one issued under section 164 (d) of the Berar Land Revenue Code, during the year under report.

43. Loans due from societies and members under award and societies under liquidation.—The total loan due from societies and members under award and from societies under liquidation was Rs. 97,33,547 [Rs. 1,14,22,339] or 74.8 [78.5] per cent of the total loan outstanding against societies. These figures indicate the extent of coercive recovery. The percentage of central bank loans under coercive recovery decreased in the Central Provinces from 84 to 63.3 while it increased in Berar from 77 to 81.5.

#### XIV.—AUDIT AND INSPECTION

44. Audit.—All the societies due for audit except nine were audited. Two have since been audited, three are under audit and the audit of the other four in Berar will be taken up early during the year.

The actual expenditure on the audit of primary societies during 1936-37 amounted to Rs. 27,759 [Rs. 30,637] in the Central Provinces, the amount collected by way of audit contributions being Rs. 33,582 [Rs. 32,485]. In Berar the audit work was done entirely by Government auditors as usual for reasons given in the last report. The audit of societies not affiliated to central banks was done by auditors appointed by the societies concerned and approved by the Registrar.

45. **Writing of accounts.**—At the beginning of the year there were 2,497 members trained in writing accounts and 14 in audit. During the year 412 members in the Central Provinces and 288 in Berar were trained in accounts [422 and 92], respectively. The number of societies in which accounts were written by members, increased to 216 and 230 [152 and 188] in the Central Provinces and Berar, respectively. In Berar a sum of Rs. 1,437 was paid as remuneration to the members who wrote accounts. The failure to write the accounts of one's own society is more a result of want of initiative and encouragement than inability to keep or write accounts. I saw one society near Akola in which all members were literate and one a graduate and *ex-inspector* of co-operative societies and yet the accounts were kept aside for being written by the group officer or his assistant in his usual tour.

46. **Inspection.**—I inspected 22 central banks and 6 land mortgage banks and attended numerous meetings of the Provincial Bank and the institutes. The Senior Deputy Registrar inspected the Provincial Bank, 13 central banks, 3 land mortgage banks and 2 institutes and attended 9 meetings of central banks and institutes. Rao Sahib Hardas, Assistant Registrar, Land Mortgage Banks, inspected all the land mortgage banks and attended 23 meetings of these banks. The Junior Deputy Registrar and the Assistant Registrars together inspected 34 central banks, 244 primary societies and attended various meetings of the central banks and institutes. The Chief Auditors superaudited 18 central banks and made a test audit of 100 societies. Among Revenue Officers, the Sub-Divisional Officer, Seoni, alone inspected one society. The defect in inspections is that the primary society does not receive the attention it deserves as being the pivot of the movement. It is hoped that something will be done in the current year to remove this blot.

47. **Attitude of the public and general remarks.**—The general attitude of the public towards the movement was characterized even in the case of many tried workers by disappointment tempered with faith in the ultimate power for good of the movement. When one sees society after society being superseded or liquidated, when member after member is proceeded against and expropriated, when lands are transferred from members who were making out a living from them to banks and societies whose management is so weak that the land barely pays

even the land revenue, when attempts at fresh organization are frustrated by the fear of joint liability and when in spite of cheap credit through co-operative societies, agriculturists prefer to go to sahkars with their exorbitant rates of interest and unconscionable transactions, it is little wonder that disappointment and despair should grip the hearts of those who have been in the movement ever since its inception and who have seen it grow from nothing to a magnificent superstructure. The present adversity is but a trial and so long as the principles underlying the movement are sound, and this will be admitted by all, there can be no retracing of the steps or arresting of the forward march. If the old single purpose societies with their emphasis on cheap credit have not proved as successful as was expected, attention may be turned to multipurpose or non-credit organizations so keenly advocated by the Reserve Bank of India and so much appreciated by the general public. Banks are emerging from their narrow outlook of agricultural business and are gradually undertaking such other banking business as advancing against grain, advancing to individuals and storage of grain. All these attempts at improving the banking facilities in the countryside, and incidentally raising the income of the central banks, are being encouraged and supported by the Department. When woeful stories are related about members of co-operative societies not having benefited from the movement and having been required to lose all their lands and property, a question is naturally asked where all this drain has been. The conclusion from a survey of all the facts relating to the movement is that neither the agriculturist has benefited nor has the shareholder earned any dividend on his capital, and the only persons who have been benefited are (i) the depositors who got higher rates of interest on their investments than they could have in the open money market and (ii) the staff who, often through the kindness of the office-bearers, have been paid higher salaries than their qualifications, the volume of work done by them, or the profits of the bank, would justify.

The powers of supersession vested in the Registrar were used to a much larger extent in Berar than anywhere else. One of the reasons is that a number of societies were placed under award and the awards were being executed against the assets of individual members. Recently there has been a ruling of the Nagpur High Court which makes it clear that the award against a society cannot be executed against the individual property of the members.

The alternative, *viz.*, that the society should take out an award against the members is often defeated by the combination of members and their hostility to the interests of the central bank. There has, therefore, been no alternative but to put the societies under supersession so that the manager appointed by the Registrar and having all the authority of the society-panchayat could take out awards against individual members. It is deplorable that a number of transactions have occurred in some societies in Berar, and especially under the Amraoti bank, in which members, mostly educated members, have unscrupulously and fraudulently entered into transactions to defeat the claims of the society and the central bank.

The relations of the officers of the Department with the honorary workers continued to be cordial. If sometimes criticism has been resented, the honesty of purpose has not been doubted. The Department and the people of the province are indebted to them for placing their valuable services at the disposal of the movement often at great personal inconvenience and in the face of undeserved or factious criticism. The officers of the Department of all grades worked strenuously and sympathetically. Mr. H. S. Kamath, I.C.S., Senior Deputy Registrar, though new to the Department, rendered no little help during the short time that he was here. Mr. S. B. Dave, Junior Deputy Registrar, deserves special mention for his intimate knowledge of the movement in Berar and was of considerable assistance to me in appreciating and dealing with the critical situation through which the movement is passing in that part of the province. I was new to the Department and had particularly to depend upon the co-operation and advice of both officers of the Department and non-official workers, and take this opportunity to place on record that both extended the same to me in full measure. I had frequent occasions to draw from the store-house of experience of such leading co-operators as Sir Madhaorao Deshpande, Dewan Bahadur K. V. Brahma, Pandit K. P. Pande, Pandit W. B. Lakhe, Rao Bahadur H. S. Munje and many others.

C. C. DESAI,

*Registrar, Co-operative Societies,  
Central Provinces and Berar.*

NAGPUR :

*The 14th February 1938.*

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APPENDICES

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# APPENDIX

## Operations of Central

Name of Central Bank		Number of members		Number of affiliated societies holding shares in central banks				Individuals	
		Individuals	Societies	Central credit	Agricultural credit	Non-agricultural credit	Others		
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	
I								Rs.	
(a) Provincial Bank		78	2,068	35	2,013	16	4	1,82,678	
II									
(b) Central Banks									
District	Central Bank								
Nagpur	...	Nagpur	1,163	136	...	133	2	1	2,466
Chanda	...	{ Brahmपुरi	2,056	151	...	150	...	1	85
	...	{ Warora	556	85	...	81	...	1	1,906
Wardha	...	{ Wardha	493	63	...	59	1	3	5,221
Betul	...	{ Betul	1,838	157	...	152	4	1	2,949
Chhindwara	...	{ Chhindwara	1,262	115	...	98	15	2	1,841
	...	{ Seoni	954	107	...	103	2	2	2,860
Jubbulpore	...	{ Jubbulpore	1,217	138	...	136	...	2	1,716
	...	{ Sehora	2,435	185	...	183	1	1	1,868
	...	{ Murwara	1,350	94	...	93	...	1	...
Saugor	...	{ Saugor	859	48	...	47	...	1	8,057
	...	{ Damoh	760	58	...	54	3	1	6,855
Mandla	...	{ Mandla	673	75	...	74	...	1	833
	...	{ Hoshangabad	1,251	81	...	78	2	1	4,414
Hoshangabad	...	{ Harda	717	65	...	62	2	1	2,425
	...	{ Sohagpur	1,774	143	...	141	...	2	1,419
	...	{ Narsinghpur	2,034	196	...	193	2	1	36,115
Nimar	...	{ Nimar	1,724	127	...	125	1	1	40
Raipur	...	{ Raipur	645	372	...	370	1	1	1,073
Bilaspur	...	{ Bilaspur	193	377	...	376	...	1	231
Drug	...	{ Drug	860	207	...	206	...	1	1,752
Bhandara	...	{ Bhandara	1,331	126	...	125	...	1	418
Balaghat	...	{ Balaghat	1,361	74	...	72	1	1	410
Total for Central Provinces		...	27,506	3,180	...	3,114	37	29	84,984
Amraoti	...	{ Amraoti	1,791	111	...	110	2	2	38,088
	...	{ Ellichpur	326	54	...	54	...	...	2,065
	...	{ Morsi	790	47	...	47	...	...	8,450
	...	{ Daryapur	410	30	...	30	...	...	10,128
Yeotmal	...	{ Yeotmal	1,086	92	...	91	...	1	14,150
	...	{ Pusad	73	11	...	11	...	...	84
	...	{ Darwah	24	23	...	23	...	...	55
Akola	...	{ Akola	1,729	51	...	50	...	1	1,11,376
	...	{ Buldana	368	37	...	37	...	...	4,215
Buldana	...	{ Khamgaon	1,487	67	...	64	2	1	9,058
	...	{ Mehkar	1,276	56	...	53	2	1	16,760
	...	{ Malkapur	865	73	...	72	1	...	8,954
Total for Berar		...	19,135	655	...	642	7	6	2,23,383
Total for Central Provinces and Berar.		...	37,641	3,835	...	3,756	44	35	3,08,367



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## Banks in 1936-37.

Provincial Bank and others	Loans made during the year to				Receipts from loans repaid during the year by	
	Societies				Individuals	Provincial bank and others
	Cash	Paper renewal	Book adjustment	Total		
(9)	(10a)	(10b)	(10c)	(10)	(11)	(12)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
49,48,630	15,78,083	...	3,62,668	1,9,40,751	1,75,913	47,02,000
94,769	58,516	...	18,855	77,371	1,925	1,04,710
42,724	46,027	3,115	13,723	59,865	572	41,608
45,916	10,253	5,092	6,012	21,357	1,734	51,155
4,12,978	7,780	...	25,682	33,462	5,698	3,89,174
1,37,362	2,590	...	18,187	20,777	2,355	1,15,761
94,161	11,114	20,760	584	32,458	1,398	92,915
1,41,322	10,881	310	8,265	19,456	3,941	1,41,144
1,42,557	1,388	...	28,809	30,197	249	1,41,672
...	802	...	28,782	29,584	2,71	...
34,541	549	...	4,967	5,516	...	27,819
1,38,161	1,808	...	8,301	10,109	3,472	1,56,344
1,12,509	4,950	...	4,627	9,577	2,333	1,11,579
65,183	1,459	...	10,331	11,790	834	65,377
14,184	1,891	...	2,214	4,135	4,456	13,562
45,245	2,378	...	6,680	9,058	2,508	43,856
6,438	447	...	17,024	17,471	1,314	3,649
2,86,040	1,17,363	...	22,222	1,39,585	33,51	2,68,424
1,81,504	31,683	...	11,110	42,793	40	1,78,715
2,08,610	1,02,997	...	10,682	1,13,079	914	1,98,961
6,71,724	1,81,930	...	26,248	2,08,148	231	6,99,993
93,879	86,498	...	26,469	1,12,967	1,762	1,05,796
2,23,442	30,844	...	6,565	37,409	2,185	2,16,330
83,548	5,923	...	13,631	19,554	623	77,818
32,75,897	7,20,041	29,277	3,16,370	10,65,688	74,377	2,46,332
18,729	15,958	...	1,28,444	1,44,402	14,427	18,765
96,432	31,226	...	25,843	57,061	2,127	52,615
89,714	19,162	...	17,126	76,288	3,897	85,660
70,016	10,321	...	18,957	29,278	8,946	73,364
75,009	13,179	...	86,651	96,830	13,517	67,277
1,07	847	...	217	1,064	23	3,367
350	8,217	...	187	8,404	67	350
11,31,867	10,691	...	1,26,898	1,37,569	1,03,345	11,23,001
1,32,559	7,366	...	20,296	27,662	6,401	1,27,926
58,579	11,235	...	82,219	93,454	7,027	59,182
1,58,214	6,524	...	37,335	43,859	9,191	1,04,468
...	5,795	...	11,443	17,239	7,439	...
18,33,176	1,37,522	...	5,95,616	7,33,138	2,03,407	17,16,975
51,09,073	8,57,563	29,277	9,11,986	17,98,826	2,77,784	49,63,307

APPENDI

Operations of Central

Name of Central Bank	Receipts from loans repaid during the year by societies				Loans	
	Cash	Paper renewal	Book adjustment	Total	Individuals	
	(13a)	(13b)	(13c)	(13)	(14)	
I	Rs.	Rs.	Rs.	Rs.	Rs.	
(a) Provincial Bank	14,15,829	...	2,16,339	16,32,168	49,223	
<b>II</b>						
<b>(b) Central Banks</b>						
District.	Central Bank.					
Nagpur	Nagpur	71,819	...	16,157	87,976	558
Chanda	{ Brahmपुरi	58,130	3,115	2,876	64,121	30
	{ Warora	15,855	5,092	5,561	26,508	596
Wardha	Wardha	43,988	...	4,929	48,917	147
Betul	Betul	10,157	...	1,11,288	1,21,445	1,328
Chhindwara	{ Chhindwara	10,439	20,760	13,774	44,973	5,214
	{ Seoni	21,720	310	19,213	41,273	906
Jubbulpore	{ Jubbulpore	22,430	...	1,40,587	1,63,017	1,611
	{ Sehō a	31,652	...	97,071	1,28,723	24
Saugor	{ Murwara	20,698	...	33,169	58,867	...
	{ Saugor	14,286	...	4,050	18,336	5,240
Mandla	{ Damoh	7,647	...	14,359	22,006	8,824
	{ Mandla	15,910	...	21,493	37,403	80
Hoshangabad	{ Hoshangabad	7,527	...	61,973	72,500	110
	{ Harda	11,564	...	10,712	22,276	656
	{ Sohagpur	14,907	...	93,120	1,08,027	105
Nimar	{ Narsinghpur	93,383	...	84,938	1,78,321	5,213
	{ Nimar	38,472	...	11,401	49,873	...
Raipur	Raipur	1,14,806	...	2,030	1,16,836	275
Bilaspur	Bilaspur	1,67,057	...	14,993	1,82,050	...
Drug	Drug	87,220	—	20,310	1,07,530	12
Bhandara	Bhandara	37,594	...	4,603	42,197	208
Balaghat	Balaghat	13,620	...	9,655	23,275	1,398
Total for Central Provinces		9,30,851	29,277	8,06,292	17,66,450	32,535
Amraoti	{ Amraoti	59,382	...	3,93,461	4,92,843	7,442
	{ Ellichpur	45,092	...	64,188	1,09,280	1,929
	{ Morsi	58,278	...	1,96,926	2,55,204	6,183
	{ Daryapur	47,031	...	65,741	1,12,772	2,355
	{ Yeotmal	50,856	...	1,26,799	1,77,655	6,090
Yeotmal	{ Pusad	1,913	...	793	2,706	64
	{ Darwah	7,209	...	17	7,226	5
Akola	{ Akola	51,320	...	74,593	1,25,913	69,089
	{ Buldana	27,637	...	46,910	74,547	906
Buldana	{ Khamgaon	29,226	...	36,227	65,453	29,977
	{ Mehkar	83,840	...	38,243	1,22,088	8,449
	{ Malkapur	11,952	...	10,402	22,354	4,385
Total for Berar		5,13,766	...	10,54,305	15,68,071	1,36,874
Total for Berar.	Central Provinces and Berar.	14,44,647	29,277	18,60,597	33,34,521	1,69,409

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## Banks in 1936-37—contd.

due by	Loans and deposits received during the year from			Cost of management	Share capital paid up
Banks and societies	Provincial or central banks	Primary societies	Individuals and other sources		
(15)	(16)	(17)	(18)	(19)	(20)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
87,42,574	93,64,835	4,02,227	76,25,807	44,391	5,23,870
3,38,203	10,107	7,491	1,48,164	8,978	51,835
1,46,651	...	10,865	63,081	4,675	39,472
1,01,979	2	5,369	65,631	2,121	23,758
2,79,258	...	5,511	2,01,592	4,351	51,827
3,10,995	12,511	12,116	1,73,422	4,891	58,385
2,56,717	...	6,109	2,66,036	4,864	52,615
1,37,132	...	6,735	1,85,368	3,022	30,815
4,25,369	...	9,509	4,27,347	4,498	34,240
6,22,431	59,377	27,132	1,98,622	5,459	55,685
1,90,346	1,786	7,222	1,07,035	3,419	17,394
2,17,758	50,033	2,373	2,44,173	2,476	34,075
2,52,288	3,016	3,537	2,17,882	3,854	50,415
1,61,742	63,5'3	13,978	1,27,578	4,435	16,976
2,77,197	...	8,732	1,49,639	3,282	45,595
1,44,936	...	41,027	85,385	3,542	34,540
2,57,066	24,249	14,697	1,14,622	3,974	32,717
5,48,459	1,63,662	11,813	5,72,088	6,179	55,433
3,03,453	23,488	12,394	1,97,068	5,307	69,635
3,12,423	8,079	50,613	1,89,110	8,657	79,305
3,29,592	9,179	38,309	3,62,975	7,723	54,040
1,66,409	...	38,538	79,615	3,763	40,578
1,62,475	396	11,592	2,51,349	5,677	37,523
2,49,573	...	12,407	1,27,109	2,923	46,154
61,92,452	4,29,478	3,57,979	44,64,891	1,08,070	10,172,112
17,68,901	3,07,528	16,561	19,60,240	15,552	1,21,910
3,04,613	19,706	5,187	2,80,607	63,183	24,980
8,03,511	99,733	7,325	5,65,079	4,243	56,430
2,28,513	3,193	5,573	3,39,302	4,911	27,580
12,13,388	2,99,989	15,946	9,45,538	10,019	79,945
31,211	...	608	1,307	513	10,930
16,690	15,799	2,159	5,563	484	3,035
16,77,747	12,55,714	32,701	23,47,874	12,391	88,595
2,82,309	4,872	948	3,03,915	3,080	25,140
8,16,719	2,93,280	11,319	2,95,291	6,886	59,865
5,44,069	...	7,539	3,70,047	7,832	59,746
6,51,212	1,91,118	1,981	2,07,401	6,917	27,170
83,38,886	24,81,932	1,07,847	66,22,164	76,011	5,85,326
1,45,31,338	29,11,410	4,65,826	1,10,87,055	1,84,181	15,97,438

V

# APPENDIX

## Operations of Central

Name of Central Bank		Loans and deposits held at the end of the year from				
		Societies	Provincial or Central Banks	Govern- ment	Indivi- duals and other sources	Reserve Fund
(1)		(21)	(22)	(23)	(24)	(25)
		Rs.	Rs.	Rs.	Rs.	Rs.
I						
(a) Provincial Bank	...	1,36,823	69,54,411	...	64,59,514	4,35,000
II						
(b) Central Banks	...					
District	Central Banks					
Nagpur	... Nagpur	58,624	...	...	2,93,056	42,096
Chanda	... { Bishmapuri	43,327	...	...	1,02,456	22,772
	... { Warora	41,380	...	...	99,501	10,429
Wardha	... Wardha	53,488	...	...	2,30,639	26,987
Betul	... Betul	1,03,990	...	...	3,18,710	60,138
Chhindwara	... { Chhindwara	55,012	...	...	2,40,641	22,476
	... { Seoni	23,885	...	...	1,37,692	13,030
	... { Jubbulpore	75,989	...	...	6,07,138	27,819
Jubbulpore	... { Sehora	1,58,811	3,43,898	...	1,73,533	65,423
	... { Murwara	49,389	33,954	...	1,61,083	16,086
Saugor	... { Saugor	37,479	...	...	1,97,537	27,548
	... { Damoh	47,936	2,780	...	2,23,132	25,839
Mandla	... Mandla	11,432	36,810	...	1,06,185	6,727
	... { Hoshangabad	84,663	...	...	2,44,786	40,896
Hoshangabad	... { Harda	37,166	...	...	1,12,652	33,783
	... { Sohagpur	80,479	1,54,956	...	1,48,243	33,731
	... { Narsinghpur	99,910	65,122	...	5,07,246	34,094
Nimar	... Nimar	73,999	...	...	2,20,740	42,173
Raipur	... Raipur	76,324	3,361	...	2,31,915	57,523
Bilaspur	... Bilaspur	89,427	9,179	...	3,53,600	37,558
Drug	... Drug	31,119	...	...	95,513	54,958
Bhandara	... Bhandara	32,175	396	...	1,66,548	24,660
Balaghat	... Balaghat	52,790	...	...	94,220	94,138
Total for Central Provinces		14,23,794	6,50,456	...	50,70,766	8,21,884
	... { Amraoti	2,46,324	7,95,173	...	12,21,558	1,39,819
Amraoti	... { Ellichpur	34,376	5,006	...	3,78,326	22,918
	... { Morsi	90,997	2,48,955	...	8,40,332	24,968
	... { Daryapur	39,790	49,370	...	3,02,395	18,336
Yeotmal	... { Yeotmal	1,37,501	2,48,173	...	10,87,397	62,997
	... { Pusad	2,843	...	...	16,900	2,834
	... { Darwah	722	7,799	...	7,798	65
Akola	... Akola	1,63,741	4,02,370	...	20,03,768	1,45,448
	... { Buldana	30,570	1,01,572	...	2,86,973	18,447
Buldana	... { Khamgaon	48,610	4,14,136	...	3,75,517	45,026
	... { Melkar	89,162	...	...	4,30,937	67,588
	... { Malkapur	27,154	2,54,220	...	2,68,305	8,717
Total for Berar		9,11,790	25,26,774	...	72,19,306	5,57,163
Total for Central Provinces and Berar		23,35,584	31,77,230	...	1,22,90,072	13,79,047

A

## Banks in 1936-37—concl'd.

Other funds	Working capital	Profit and loss for the year	Dividend paid on shares during the year	Most usual rate of interest		Uncalled and subscribed share capital
				On borrowings	On lendings	
(26)	(27)	(28)	(29)	(30)	(31)	(32)
Rs.	Rs.	Rs.	Per cent	Per cent	Per cent	Rs.
7,53,580	1,52,33,198	+82,908	5	2	4	...
88,111	5,33,722	+9,797	4	4	9	...
22,328	2,30,355	+2,176	3½	3	8	...
17,275	1,92,343	+2,916	3	2½	8	12
65,596	4,28,537	+18,851	...	3	8	...
85,476	6,26,699	+4,524	...	4	8	...
82,896	4,53,640	+4,900	...	3	9	...
25,415	2,35,837	+1,958	...	3	7	...
51,238	7,96,424	+10,150	...	4	8	...
1,49,527	9,47,877	+691	...	4	8	...
45,862	3,23,768	+8,072	...	4½	8	...
59,749	3,56,380	+3,472	...	3	8	...
44,095	3,94,197	+1,015	...	6	8	...
37,088	2,14,318	+5,294	...	4	10	...
1,05,586	5,21,526	+6,244	...	4	8	...
36,451	2,54,591	+2,739	4	3	7½	...
45,997	4,97,123	+3,228	...	5	8	...
1,27,375	8,89,180	+28,409	...	5	7½	...
92,201	4,98,748	+5,493	5	4	9	...
45,873	4,97,301	+4,773	2½	3	9	...
33,437	5,77,241	+9,990	3½	2½	9	1,865
51,905	2,75,073	+5,719	3½	2½	8	...
31,579	2,92,881	+3,797	5	3	7½	...
1,73,278	4,60,580	+10,488	6½	2	6½	...
15,19,337	1,04,98,349	+1,54,616	...	...	...	...
5,37,738	30,62,522	+31,381	...	4½	10	...
51,973	5,17,579	+2,726	...	3½	9	...
1,36,330	13,98,012	+22,096	...	7	10	...
44,840	4,82,311	+1,236	...	3½	7½	...
2,57,382	18,73,395	+8,370	3	4	6½	...
2,130	35,637	+939	...	4	8½	...
156	19,575	+86	2½	4	8	...
4,42,149	32,46,071	+9,776	...	4	8	...
84,234	5,46,036	+5,273	...	3	8½	...
2,86,712	12,29,866	+1,970	...	4	9	...
2,08,838	8,56,271	+17,466	...	4½	8	...
1,95,449	7,81,015	+3,540	...	4	10	...
22,47,931	1,40,48,290	+1,04,859	...	...	...	...
37,67,268	2,45,46,639	+2,59,475	...	...	...	...

# APPENDIX

## Balance sheet of Central

Name of the Bank		Assets				
		Cash in hand and in banks	Market value of investments	Loans due in from members (individuals)	Deposits with provincial banks and others	Loans due from societies Total loans due in from affiliated societies
(1)	(2)	(3)	(4)	(5)	(6)	
		Rs.	Rs.	Rs.	Rs.	Rs.
I						
..) Provincial Bank		1,95,037	62,35,863	49,223	59,00,629	*37,41,945
II						
(b) Central Bank						
District	... Central Bank					
Nagpur	... Nagpur	470	1,54,486	558	1,35,709	2,02,494
Charda	... { Brahmपुरi	2,297	78,108	30	62,332	84,319
	... { Warora	175	85,798	596	28,221	73,758
Wardha	... Wardha	402	1,55,964	147	63,364	2,18,894
Betul	... Betul	3,290	2,26,406	1,328	47,281	2,63,709
Chhindwara	... { Chhindwara	3,426	1,49,005	5,214	10,005	2,46,712
	... { Seoni	16,937	68,027	906	36,538	1,00,594
Jubbulpore	... { Jubbulpore	6,916	2,21,671	1,611	21,350	4,04,919
	... { Sihora	7,095	2,36,312	24	...	6,22,431
Saugor	... { Murwara	4,546	71,415	...	6,812	1,83,534
	... { Saugor	5,411	1,14,035	5,240	76,174	1,41,584
Mandla	... { Damch	3,910	1,12,657	8,824	13,819	2,38,469
	... { Mandla	4,350	18,848	80	1,141	1,60,601
Hoshangabad	... { Hoshangabad	4,941	1,57,069	110	2,626	2,74,571
	... { Herda	3,161	96,436	656	30,335	1,14,601
	... { Sohagpur	2,019	1,29,530	105	5,516	2,51,550
Nimar	... { Narsinghpur	12,580	2,37,577	5,213	25,492	5,22,967
	... { Nimar	1,751	1,95,204	...	1,06,669	1,96,784
Raipur	... Raipur	4,709	1,32,458	275	2,06,326	1,06,097
Bilaspur	... Bilaspur	24,722	2,00,501	...	1,90,489	1,39,133
Drug	... Drug	1,261	1,03,008	12	78,265	88,144
Bhandara	... Bhandara	7,364	1,13,399	208	1,03,570	58,905
Balaghat	... Balaghat	5,299	1,93,148	1,398	1,10,643	1,38,930
Total for Central Provinces		1,27,932	32,51,062	32,535	13,59,682	48,32,770
Amraoti	... { Amraoti	16,197	3,62,659	7,442	211	17,68,690
	... { Ellichpur	4,038	1,30,375	1,929	69,369	2,35,244
	... { Morsi	10,111	2,12,081	6,183	3,054	8,00,460
	... { Daryapur	3,371	1,41,344	2,355	343	2,78,170
Yeotmal	... { Yeotmal	1,187	4,84,263	6,990	9,395	12,03,993
	... { Pusad	718	6,319	64	4,523	26,688
Akola	... { Darwah	2,691	433	5	...	16,690
	... { Akola	7,719	3,96,151	69,089	10,728	16,67,019
Buldana	... { Buldana	5,779	90,784	906	5,194	2,77,115
	... { Khamgaon	2,029	1,05,938	29,977	30	8,16,689
	... { Mehkar	4,119	2,48,580	8,449	54,329	4,89,740
	... { Malkapur	1,340	41,739	4,385	...	6,51,212
Total for Berar		59,299	22,23,676	1,68,74	1,57,176	81,81,710
Total for Central Provinces and Berar		1,86,331	54,74,738	1,39,409	15,16,858	1,30,14,480

NOTE.—The figures contained in  
\*Includes loans due in from central banks and such

B

Banks as on 30th June 1937.

Assets							
from societies			Value of stock in hand				
Of which over due	considered bad	considered doubtful	Interest accrued to the bank	Land	Building, furniture and other stock	Other items	Total
(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
16,45,888	...	...	1,48,692	...	74,115	...	1,54,45,504
1,57,020	31,748	2,754	39,513	3,805	16,424	75	5,53,534
13,553	4,163	243	3,434	...	6,934	...	2,37,454
51,289	12,283	1,068	8,746	173	487	...	1,97,954
2,09,230	13,432	61,830	4,306	...	17,564	...	4,57,641
2,57,286	49,701	11,981	89,905	3,376	24,571	...	6,59,871
2,18,599	90,597	8,186	46,684	1,785	1,171	...	4,64,002
82,036	26,766	9,871	9,073	...	7,794	...	2,39,869
3,06,351	56,273	39,472	41,143	160	19,388	...	8,16,258
6,09,545	2,01,635	38,460	70,169	5,133	15,691	...	9,56,855
1,82,841	31,369	29,599	54,302	...	14,582	...	3,35,191
1,11,208	59,877	4,398	18,197	512	2,104	5	3,63,292
2,02,849	61,500	9,057	13,244	991	10,346	...	4,02,263
1,58,407	30,851	36,738	26,755	...	9,253	...	2,21,028
2,46,198	9,272	17,218	78,315	3,862	10,049	...	5,31,543
1,11,947	15,660	2,205	12,960	2,352	1,284	...	2,60,885
2,50,118	73,216	31,479	99,370	8,247	11,174	135	5,07,616
4,12,309	1,38,534	22,422	95,865	3,265	24,490	...	9,27,449
1,79,357	68,597	10,732	16,304	...	639	...	5,17,351
5,400	1,198	637	6,923	146	47,271	63	5,04,268
82	...	...	6,694	...	28,840	...	5,90,349
3,340	567	...	4,376	...	13,609	...	2,88,675
21,168	6,742	9,390	9,411	35	9,651	...	3,02,543
1,29,465	78,513	16,099	12,375	2,780	7,490	...	4,72,963
39,20,608	11,50,494	3,63,838	8,67,164	36,655	3,00,806	248	1,08,07,954
13,45,319	4,99,933	...	4,27,167	4,70,935	73,517	...	31,26,818
2,15,661	62,132	2,055	45,313	37,757	2,327	1,773	5,28,125
6,32,520	59,521	128	2,15,673	1,33,866	58,265	...	14,39,693
2,19,194	25,588	...	24,809	88,746	24,782	...	5,13,920
12,00,401	1,86,411	...	3,915	2,11,184	24,589	...	19,44,616
25,928	...	2,700	65	...	...	...	39,057
11,082	...	...	...	...	44	...	19,863
16,62,741	8,96,225	...	12,563	10,44,096	27,022	59,997	32,94,384
2,71,382	1,27,388	1,413	10,392	1,43,571	22,755	4,712	5,61,208
8,12,102	6,70,582	...	2,917	2,37,246	46,051	...	12,40,847
4,84,589	1,79,772	...	20,823	33,193	32,765	923	8,92,921
6,45,766	3,63,841	11,832	18,948	54,767	2,004	14,080	7,91,475
75,26,745	30,71,393	18,128	7,83,225	24,55,361	3,14,121	81,485	1,43,52,927
1,14,47,353	42,21,887	3,81,966	16,50,389	24,92,016	6,14,927	81,733	2,52,00,881

this balance sheet are unaudited.  
societies as are not affiliated to any central bank.

APPENDIX

Balance sheet of Central

Liabilities

Name of the bank	Loans and deposits from non-members and from members in an individual capacity	Loans and deposits from provincial and central banks	Loans and deposits from societies	Loans from Government	Share-capital paid up	Interest due by the bank
(1)	(15)	(16)	(17)	(18)	(19)	(20)
I	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Provincial Bank	64,59,514	69,54,411	1,36,823	...	5,23,870	1,65,566
II						
(b) Central Banks						
District	Central Bank					
Nagpur ...	Nagpur ...	2,93,356	..	58,624	...	51,835
Charda ...	{ Brahmपुरi	1,02,456	..	43,327	...	39,472
	{ Warora ...	99,501	...	41,280	...	23,758
Wardha ...	Wardha ...	2,30,639	...	53,488	...	51,827
Betul ...	Betul ...	3,18,710	...	1,03,990	...	58,385
Chhindwara ...	{ Chhindwara	2,40,641	...	55,012	...	52,615
	{ Serni ...	1,37,692	...	28,885	...	30,815
Jubbulpore ...	{ Jubbulpore	6,07,138	...	75,989	...	34,240
	{ Sihora ...	1,73,533	3,43,898	1,58,811	...	55,685
	{ Murwa ...	1,61,083	33,954	49,389	...	17,394
Saugor ...	{ Saugor ...	1,97,537	...	37,479	...	34,075
	{ Damoh ...	2,23,132	2,780	47,936	...	50,415
Mandla ...	{ Mandla ...	1,06,185	26,810	11,432	...	16,076
	{ Hoshangabad	2,44,786	...	84,663	...	47,595
Hoshangabad	{ Harda ...	1,12,652	...	37,166	...	34,540
	{ Sohagpur	1,48,743	1,54,956	80,479	...	32,717
	{ Narsinghpur	5,07,246	65,122	99,510	...	55,433
Nimar ...	Nimar ...	2,20,740	...	73,999	...	69,635
Raipur ...	Raipur ...	2,34,915	3,361	76,324	...	79,305
Bilaspur ...	Bilaspur ...	3,53,600	9,179	89,427	...	54,040
Drug ...	Drug ...	96,513	...	31,119	...	40,578
Bhandara ...	Bhandara ...	1,66,548	396	32,175	...	37,523
Balaghat ...	Balaghat ...	94,220	...	52,790	...	46,154
Total for Central Provinces		50,70,766	1,50,456	14,23,794	...	10,12,112
Amraoti ...	{ Amraoti ...	12,24,558	7,95,173	2,46,324	...	1,21,910
	{ Ellichpur ...	3,78,326	5,006	34,376	...	24,980
	{ Morsi ...	8,40,332	2,48,955	90,997	...	56,430
	{ Daryapur ...	3,02,395	49,370	39,790	...	27,580
	{ Yeotmal ...	10,87,397	2,48,173	1,37,501	...	79,945
Yeotmal ...	{ Pusad ...	16,900	...	2,843	...	10,930
	{ Darwah ...	7,798	7,799	722	...	3,035
Akola ...	{ Akola ...	20,03,768	4,02,370	1,63,741	...	88,595
	{ Buldana ...	2,86,073	1,01,572	30,570	...	25,140
Buldana ...	{ Khamgaon ...	3,75,517	4,14,136	48,610	...	59,865
	{ Mehkar ...	4,30,937	...	89,162	...	59,746
	{ Malkapur ...	2,68,305	2,54,220	27,154	...	27,170
Total for Berar		72,19,306	25,26,774	9,11,790	...	5,85,326
Total for Central Provinces and Berar.		1,22,90,072	31,77,230	23,35,584	...	15,97,438



B

Banks as on 30th June 1937—concl'd.

Cost of management due	Other items	Reserve fund under section 33 of Act II of 1912	Liabilities				Total	Profit or loss
			Other funds created out of profits		Other undistributed profits carried forward			
			Provision for bad and doubtful debts	Other funds				
(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
...	...	4,05,000	5,59,000	2,03,580	528	1,53,99,292	+ 46,212	
518	...	42,096	52,884	35,227	944	5,41,487	+12,047	
283	...	22,772	3,211	19,117	295	2,34,529	+ 2,925	
140	...	1,429	12,741	4,533	679	1,94,620	+ 3,334	
339	176	26,987	37,859	27,737	372	4,31,774	+25,867	
342	...	60,138	55,362	30,111	...	6,39,569	+20,311	
404	...	22,176	82,742	154	...	4,59,102	+ 4,909	
295	...	13,030	21,054	4,361	...	2,37,911	+1,958	
314	...	27,819	46,722	4,516	203	8,08,903	+7,355	
386	...	66,423	1,47,583	1,814	...	9,56,506	+ 349	
158	...	16,086	35,786	1,076	...	3,27,129	+ 8,662	
218	...	27,548	59,420	329	23	3,59,820	+ 3,472	
178	302	25,839	42,779	1,316	294	4,01,947	+ 316	
210	...	6,727	36,445	643	...	2,15,795	+ 5,233	
250	...	40,896	1,01,573	4,013	...	5,26,634	+ 4,909	
330	...	33,783	18,673	17,777	1,525	2,57,621	+ 3,264	
327	...	33,731	44,086	2,911	...	5,06,808	+ 808	
608	...	34,094	1,23,149	4,226	...	8,96,996	+ 30,453	
394	...	42,173	72,940	19,261	9,340	5,11,563	+ 5,788	
477	...	57,523	1,456	44,417	...	5,01,195	+ 3,073	
472	...	37,558	...	33,437	32	5,81,906	+ 8,443	
251	...	54,958	567	51,338	5,447	2,82,352	+ 6,323	
284	...	24,660	12,136	19,443	1,889	2,98,385	+ 4,158	
165	...	94,138	89,705	83,573	3,759	4,64,871	+ 7,192	
7,343	478	8,21,884	10,98,974	4,20,363	24,784	1,06,37,414	+ 1,70,540	
799	...	1,39,819	5,25,742	11,996	...	31,13,693	+ 13,125	
189	...	22,918	51,703	279	170	5,25,398	+ 2,727	
222	...	24,968	1,17,427	18,903	...	14,18,717	+ 20,976	
...	...	18,336	25,588	19,252	318	4,87,786	+ 26,134	
...	...	62,997	1,86,411	70,971	5,892	19,08,166	+ 36,450	
...	...	2,834	841	1,289	294	36,298	+ 2,759	
30	...	65	...	156	...	19,727	+ 136	
...	...	1,45,448	4,33,602	8,547	5,028	32,94,384	...	
216	...	18,447	81,157	3,077	1,740	5,55,935	+ 5,273	
455	...	45,026	2,78,719	7,993	...	12,40,847	...	
353	...	67,588	1,66,482	42,356	5,417	8,75,455	+ 17,466	
693	...	8,717	1,95,244	205	...	7,87,879	+ 3,596	
2,957	...	5,57,163	20,62,916	1,85,015	18,859	1,42,64,285	+ 1,28,642	
10,300	478	13,79,047	31,61,890	6,05,378	43,643	2,49,01,699	+ 2,99,182	

APPENDIX

*Capital, Reserve, Deposits, Loans and Cash of the Co-operative Banks*

Serial No.	Name of Bank	Year	Capital and Reserve			
			Paid up share capital	Reserve fund under section 33 of the Act, II of 1912	Other funds	Total
			Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>(A) Banks having capital and reserve over Rs. 5 lakhs.</i>						
1	Provincial Bank	1932-33	571	215	126	912
		1933-34	562	229	153	940
		1934-35	546	230	417	1,193
		1935-36	536	245	853	1,634
		1936-37	524	405	754	1,683
2	Amraoti	1932-33	137	117	396	650
		1933-34	135	122	424	681
		1934-35	132	128	566	826
		1935-36	127	134	526	787
		1936-37	122	140	537	799
3	Akola	1932-33	102	112	425	639
		1933-34	97	115	464	676
		1934-35	96	120	483	699
		1935-36	88	135	434	658
		1936-37	88	145	442	675
<i>(B) Banks having capital and reserve over Rs 1 lakh and less than Rs. 5 lakhs.</i>						
1	Nagpur	1932-33	55	35	75	165
		1933-34	53	37	74	164
		1934-35	52	38	83	173
		1935-36	52	40	86	178
		1936-37	52	42	88	182
2	Wardha	1932-33	55	22	36	113
		1933-34	55	25	34	114
		1934-35	53	26	54	133
		1935-36	52	25	64	141
		1936-37	52	27	65	144
3	Betul	1932-33	62	49	63	174
		1933-34	60	49	61	170
		1934-35	60	54	75	189
		1935-36	59	57	85	201
		1936-37	58	60	85	203
4	Chhindwara	1932-33	55	20	74	149
		1933-34	54	21	74	149
		1934-35	53	22	78	153
		1935-36	53	22	84	159
		1936-37	53	22	83	158
5	Jubbulpore	1932-33	39	23	16	78
		1933-34	39	24	30	93
		1934-35	35	25	41	101
		1935-36	35	26	55	116
		1936-37	34	28	51	113

C

*in the Central Provinces and Berar, during the past five years*

Non-members and members in the individual capacity	Deposits and loans from				Loans due by			Cash in hand and in banks
	Provincial and Central Banks	Societies	Government	Total	Members and individuals	Bank and societies	Total out-standings	
	(8)	(10)	(11)	(12)	(13)	(14)	(15)	
Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	
4,614	5,943	144	...	10,701	93	2,677	2,770	152
5,203	6,509	129	...	11,841	90	2,902	2,992	76
5,342	6,472	148	...	11,962	60	3,828	3,888	158
5,932	6,703	146	...	12,781	42	8,187	8,229	232
6,459	6,954	137	...	13,550	49	8,742	8,791	195
2,505	599	422	...	3,526	26	2,453	2,479	2
2,420	810	440	...	3,670	28	2,478	2,506	2
1,697	354	287	...	2,338	67	2,224	2,291	35
1,350	662	274	...	2,286	14	2,117	2,131	8
1,221	795	246	...	2,262	7	1,769	1,776	16
1,787	308	293	...	2,388	39	1,940	1,979	2
1,878	289	262	...	2,429	41	1,862	1,903	2
1,851	357	266	...	2,474	58	1,739	1,797	1
1,911	380	250	...	2,541	61	1,657	1,718	2
2,004	402	164	...	2,570	69	1,678	1,747	8
372	...	54	...	426	1	430	431	1
360	...	54	...	414	1	420	421	2
390	...	55	...	355	1	359	360	1
293	...	58	...	351	...	359	359	...
293	...	59	...	352	1	338	339	...
271	...	48	...	319	1	280	281	14
270	4	50	...	324	...	289	289	2
261	...	50	...	311	1	287	288	1
236	2	53	...	291	1	271	272	5
231	...	53	...	284	...	279	279	...
370	...	146	...	516	5	341	346	14
327	1	149	...	477	1	390	391	2
323	...	137	...	460	4	362	366	5
302	...	132	...	434	1	390	391	5
319	...	104	...	423	1	311	312	3
237	...	65	...	302	13	262	275	7
238	...	64	...	302	15	260	275	3
227	...	58	...	285	5	262	267	5
230	...	59	...	289	5	268	273	5
240	...	55	...	295	5	257	262	3
435	28	87	...	550	2	489	491	5
583	...	92	...	675	1	504	505	6
616	...	85	...	701	...	529	529	6
631	...	76	...	677	...	558	558	3
607	...	76	...	683	1	425	426	7

APPENDIX

Capital, Reserve, Deposits, Loans and Cash of the Co-operative Banks

Serial No.	Name of Bank	Year	Capital and Reserve			
			Paid up share capital	Reserve fund under section 33 of the Act, II of 1912	Other funds	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>(B) Banks having Capital and Reserve over Rs. 1 lakh and less than Rs 5 lakhs—contd.</i>						
			Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
6	Sihora	1932-33	70	57	156	283
		1933-34	66	61	162	289
		1934-35	58	64	173	295
		1935-36	57	66	172	295
		1936-37	56	66	149	271
7	Saugor	1932-33	37	26	57	120
		1933-34	37	28	53	118
		1934-35	35	28	56	119
		1935-36	35	28	60	123
		1936-37	34	28	60	122
8	Damoh	1932-33	51	23	49	123
		1933-34	50	25	50	125
		1934-35	50	24	49	123
		1935-36	50	25	49	124
		1936-37	50	26	44	120
9	Hoshangabad	1932-33	55	35	87	177
		1933-34	54	33	97	184
		1934-35	48	38	100	186
		1935-36	47	39	105	191
		1936-37	46	41	105	192
10	Harda	1932-33	35	29	30	94
		1933-34	34	30	32	96
		1934-35	34	32	36	102
		1935-36	34	33	36	103
		1936-37	34	34	36	104
11	Sohagpur	1932-33	35	28	42	105
		1933-34	34	27	45	106
		1934-35	34	30	45	109
		1935-36	33	32	46	111
		1936-37	33	34	47	114
12	Narsinghpur	1932-33	63	34	95	192
		1933-34	62	34	103	199
		1934-35	59	34	119	212
		1935-36	57	34	129	220
		1936-37	55	34	127	216
13	Nimar	1932-33	70	31	84	185
		1933-34	69	33	87	189
		1934-35	69	40	91	200
		1935-36	70	40	90	200
		1936-37	70	42	92	204

C

*in the Central Provinces and Berar, during the past five years—contd.*

Non-members and members in the individual capacity	Deposits and loans from				Loans due by			
	Provincial and Central Banks	Societies	Government	Total	Members and individuals	Banks and societies	Total out-standings	Cash in hand and in banks
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
271	282	195	...	718	...	763	763	8
240	299	202	...	741	...	760	760	9
243	289	206	...	738	...	738	738	13
206	303	206	...	715	...	722	722	8
173	344	159	...	676	...	622	622	7
171	...	47	...	218	...	235	235	9
167	...	42	...	209	...	218	218	4
195	...	43	...	238	1	243	244	3
203	...	39	...	242	1	244	245	3
197	...	37	...	234	5	218	223	5
195	...	61	...	256	1	268	269	5
209	...	60	...	269	2	278	280	5
226	...	61	...	287	3	279	282	6
221	...	59	...	283	4	261	268	5
223	3	48	...	274	9	252	261	4
202	11	86	...	299	1	332	333	3
212	9	87	...	308	...	334	331	9
212	...	90	...	302	...	334	334	8
242	...	87	...	329	...	345	345	4
245	...	84	...	329	...	277	277	5
90	...	38	...	128	...	130	130	7
111	...	41	...	152	...	156	156	4
113	...	40	...	150	1	154	155	4
115	...	38	...	153	1	157	158	4
113	...	37	...	150	1	145	146	3
87	169	104	...	361	1	334	334	3
88	176	101	...	365	1	338	339	2
99	175	103	...	377	...	342	342	2
125	169	83	...	377	...	345	345	3
148	155	80	...	383	...	257	257	2
361	91	110	...	562	...	544	544	9
502	23	115	...	637	...	562	562	6
475	82	112	...	669	2	595	597	11
479	65	105	...	649	3	570	573	16
507	65	100	...	672	5	548	553	12
137	...	82	...	219	1	250	251	6
198	...	72	...	270	1	293	294	6
198	...	73	...	271	1	296	297	4
214	...	73	...	287	...	308	308	6
221	...	74	...	295	...	303	303	2

APPENDIX

Capital, Reserve, Deposits, Loans and Cash of the Co-operative Banks

Serial No.	Name of Bank	Year	Capital and Reserve			
			Paid up share capital	Reserve fund under section 33 of the Act, II of 1912	Other funds	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
			Rs.	Rs.	Rs.	Rs.
			(1,000)	(1,000)	(1,000)	(1,000)
<i>(B) Banks having Capital and Reserve over Rs. 1 lakh and less than Rs. 5 lakhs—contd.</i>						
14	Raipur	1932-33	81	54	31	166
		1933-34	80	55	31	166
		1934-35	80	56	41	177
		1935-36	79	57	43	179
		1936-37	79	57	46	182
15	Bilaspur	1932-33	58	31	27	116
		1933-34	56	32	26	114
		1934-35	54	34	27	115
		1935-36	54	36	33	123
		1936-37	54	38	33	125
1	Drug	1932-33	47	49	42	138
		1933-34	47	50	45	143
		1934-35	47	52	44	143
		1935-36	40	53	50	143
		1936-37	40	55	52	147
17	Balaghāt	1932-33	55	87	102	334
		1933-34	52	95	193	340
		1934-35	50	97	177	324
		1935-36	48	87	171	306
		1936-37	46	94	173	313
18	Ellichpur	1932-33	27	19	37	83
		1933-34	27	20	39	86
		1934-35	27	21	44	92
		1935-36	27	22	52	101
		1936-37	25	23	52	100
1	Morsi	1932-33	60	21	80	161
		1933-34	59	22	103	184
		1934-35	58	23	122	203
		1935-36	57	24	136	217
		1936-37	56	25	136	217
20	Yeotmal	1932-33	97	51	159	307
		1933-34	97	53	194	344
		1934-35	97	55	255	407
		1935-36	81	60	256	397
		1936-37	80	63	257	400
21	Buldana	1932-33	33	17	102	152
		1933-34	33	18	108	159
		1934-35	31	18	116	165
		1935-36	28	18	88	134
		1936-37	25	18	84	127

C

*in the Central Provinces and Berar, during the past five years—contd.*

Non-members and members in the individual capacity	Deposits and loans from				Loans due by			Cash in hand and in banks		
	Provincial and Central Banks	Societies	Government	Total	Members and individuals	Banks and societies	Total out-standings			
	(8)	(9)	(10)	(11)	(12)	(13)	(14)		(15)	(16)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.
(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1000)		
282	11	67	...	360	1	334	335	13		
197	9	74	...	280	1	284	285	9		
211	7	77	...	295	2	291	293	9		
238	5	76	...	319	...	307	307	6		
235	3	76	...	314	...	312	312	5		
391	...	53	...	444	...	402	402	10		
403	...	61	...	464	...	410	410	7		
321	...	75	...	396	...	320	320	12		
340	...	77	...	417	...	332	332	7		
354	9	89	...	452	...	329	329	25		
70	...	30	...	100	...	139	139	3		
73	...	29	...	102	...	146	146	5		
82	...	30	...	112	...	160	160	2		
97	...	29	...	126	...	173	173	5		
96	...	31	...	127	...	166	166	1		
100	...	59	...	159	7	307	314	2		
107	...	51	...	158	8	300	308	1		
101	...	42	...	143	3	262	265	1		
87	...	44	...	131	2	248	250	2		
94	...	53	...	147	1	249	250	5		
227	73	27	...	327	2	288	290	2		
251	51	35	...	337	4	270	274	5		
324	...	37	...	361	6	291	297	2		
333	5	36	...	374	2	313	315	5		
378	5	34	...	417	2	305	307	4		
606	278	111	...	995	7	910	917	2		
604	307	117	...	1,028	8	983	991	4		
693	294	118	...	1,105	7	965	972	5		
740	272	102	...	1,114	2	979	981	4		
840	249	91	...	1,180	6	803	809	10		
961	367	211	...	1,539	1	1,318	1,319	1		
917	430	183	...	1,530	...	1,342	1,342	2		
941	452	190	...	1,583	1	1,372	1,373	5		
1,024	317	154	...	1,495	2	1,287	1,289	2		
1,087	248	137	...	1,472	6	1,213	1,219	1		
313	111	55	...	479	1	464	465	7		
296	123	55	...	474	2	437	439	5		
303	118	59	...	480	1	403	404	8		
300	117	44	...	461	3	325	328	8		
286	102	30	...	418	1	282	283	6		

## APPENDIX

*Capital, Reserve, Deposits, Loans and Cash of the Co-operative Banks*

Serial No.	Name of banks	Year	Capital and Reserve			
			Paid up share capital	Reserve fund under section 33 of the Act, II of 1912	Other funds	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>(B) Banks having Capital and Reserve over Rs. 1 lakh and less than Rs. 5 lakhs—concl.</i>						
			Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
22	Khamgaon	{ 1932-33 ...	62	36	175	273
		{ 1933-34 ...	61	38	197	296
		{ 1934-35 ...	60	41	222	323
		{ 1935-36 ...	60	43	251	354
		{ 1936-37 ...	60	45	286	391
23	Mehkar	{ 1932-33 ...	64	56	131	251
		{ 1933-34 ...	62	58	163	283
		{ 1934-35 ...	62	61	181	304
		{ 1935-36 ...	61	64	202	327
		{ 1936-37 ...	60	67	208	335
24	Malkapur	{ 1932-33 ...	27	7	110	144
		{ 1933-34 ...	27	8	134	169
		{ 1934-35 ...	27	8	169	204
		{ 1935-36 ...	27	8	195	230
		{ 1936-37 ...	27	9	195	231



C

*in the Central Provinces and Berar, during the past five years—concl.*

Non-members and members in the individual capacity	Deposits and loans from				Loans due by			
	Provincial and Central banks	Societies	Government	Total	Members and individuals	Banks and societies	Total out-standings	Cash in hand and in banks
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)
531	225	91	...	847	35	759	794	1
470	305	92	...	867	26	776	802	1
406	348	57	...	811	27	759	786	1
413	361	55	...	829	28	789	817	1
375	414	49	...	838	30	817	847	2
428	35	128	...	591	2	614	616	4
450	23	142	...	615	..	603	603	2
464	7	136	...	607	...	589	589	6
452	...	106	...	558	1	569	570	4
431	...	89	...	520	8	544	552	4
408	67	42	...	517	7	585	592	1
387	98	42	...	527	8	614	622	...
329	170	31	...	530	7	628	635	6
288	230	27	...	545	...	558	558	3
268	254	27	...	549	4	651	655	1

## APPENDIX D

*Statement showing Number, Capital, Reserve, Deposits and Loans received, Loans outstanding and Cash balance of principal Co-operative Banks in the Central Provinces and Berar, at the end of the Provincial year ending the 30th June 1937.*

*Class A.—Banks with Capital and Reserve of Rs. 5 lakhs and over.*

Year	Number of banks	Capital	Reserve and other funds	Total	Loans and deposits received	Loans out-standing	Cash balance	
(1)	(2)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	Rs. (1,000)	
1927-28	...	1	622	367	989	7,996	1,861	167
1928-29	...	1	627	378	1,005	9,275	1,312	91
1929-30	...	1	622	427	1,049	9,599	1,504	68
1930-31	...	2	752	682	1,434	12,564	4,397	29
1931-32	...	3	824	1,128	1,952	15,946	6,950	15
1932-33	...	3	810	1,217	2,027	16,615	7,228	156
1933-34	...	3	794	1,503	2,297	17,940	7,401	80
1934-35	...	3	774	1,944	2,718	16,774	7,976	94
1935-36	...	3	751	2,328	3,079	17,608	12,078	242
1936-37	...	3	734	2,423	3,157	18,382	12,314	219

*Class B.—Banks with Capital and Reserve of Rs. 1 lakhs and less than Rs. 5 lakhs.*

1927-28	...	18	1,440	1,907	3,347	12,705	11,127	166
1928-29	...	19	1,465	2,127	3,592	13,726	11,816	174
1929-30	...	20	1,482	2,346	3,828	14,802	12,512	177
1930-31	...	20	1,363	2,245	3,608	12,664	10,980	127
1931-32	...	20	1,201	2,131	3,332	10,108	9,371	144
1932-33	...	21	1,192	2,636	3,828	10,257	9,956	123
1933-34	...	21	1,168	2,837	4,005	10,361	10,102	86
1934-35	...	22	1,171	3,188	4,359	10,405	10,667	118
1935-36	...	25	1,230	3,550	4,780	11,863	10,854	121
1936-37	...	24	1,179	3,532	47,11	10,984	9,989	117

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